



September 26, 2012

1. The Secretary
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy
Towers, Dalal Street
Fort
MUMBAI 400 023
Fax No: 022-22722039/3121/3132

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 8, 2012, we enclose a copy of the Minutes of the proceedings of the Annual General Meeting of the Company held on August 06, 2012 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

P. Govindan
Company Secretary

Encl: As above

**MINUTES OF THE NINETY THIRD ANNUAL GENERAL MEETING OF
BRITANNIA INDUSTRIES LIMITED HELD AT THE HYATT REGENCY,
JA-1, SECTOR 3, SALT LAKE CITY, KOLKATA 700 098 ON
MONDAY, 6TH AUGUST 2012, 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. Nimesh kampani	Director and Chairman, Audit Committee
Mr. Avijit Deb	Director
Mr. Jeh Wadia	Director
Mr. Keki Dadiseth	Director
Dr. Ajai Puri	Director
Mr. Nasser Munjee	Director
Mr. Ness Wadia	Director
Dr. Vijay L Kelkar	Director

MEMBERS PRESENT:

3373 Members representing 3,61,322 shares were present in person.

9 Members were present through their Authorised Representatives representing 6,11,19,114 shares.

52 Members were present through their Proxies representing 1,11,73,725 shares.

IN ATTENDANCE:

Mr. Raju Thomas	Chief Financial Officer
Mr. P. Govindan	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 93rd 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 2012 and the Balance Sheet of the Company as at that date, already circulated to the shareholders, as read.

6. In his introductory remarks, the Chairman informed the shareholders that the Board had met just prior to the AGM and approved and announced the final results for the 1st quarter of the current year 2012-13 and summarized the results for their benefit as under:

The Company's consolidated revenue for the first quarter of the current year 2012-13 increased by 12% and Net profit by 18.4%. Consolidated revenue for the said quarter was Rs. 1,348 crores compared with Rs. 1,204 crores in the corresponding quarter of the previous year. On a standalone basis, revenue increased by 11% with profit from operations increasing by 45%. Net profit on a standalone basis of Rs. 46.5 crores increased by 4% as the net profit of first quarter of the previous year included profit on sale of property of Rs. 10.4 crores (net of tax), which was not the case in the quarter of the current year.

Commenting on the Company's performance during the year 2011-12, the Chairman highlighted the following key points:

- ✓ The Company, in a tough environment, achieved good results and generated a consolidated revenue of Rs 5,500 crores, an increase of 19%. Net profit on the same basis increased 49% and PAT increased to approximately Rs 200 crores from Rs.134 crores in the previous year.
- ✓ The Company also improved its operating margin by 80 basis points from 3.7% to 4.5%. This was made possible by an all round improvement in every business sector it operated in -- from the standalone bakery business in India to each of the subsidiaries, including its international business.
- ✓ Dairy business grew profitably and registered a growth of 34% compared with the previous year. The total revenue from Dairy increased to Rs. 293 crores and the business achieved a net profit of Rs.15.5 crores. All past losses of Dairy business had been completely wiped out and the business was now profitable and had a good growth potential.
- ✓ International business was Rs 276 crores with export from India growing at 36% and the two companies in the Middle East growing at 32%.
- ✓ The Company also received several accolades and awards, notable among which were the IMC Ramakrishna Bajaj Award for performance excellence; the CII National Food Safety Award and the Global Performance Excellence Award of the Asia Pacific Quality Organization based in Chicago. Britannia was among 18 companies from 8 Asian and Pacific Rim countries to be recognized for world class quality performance, based on the parameters used for the Malcolm Baldrige Performance Excellence Award.
- ✓ In a vote of confidence by consumers, Britannia was rated as the "Most Trusted Food Brand" by people across India and the independent survey done by AC Nielsen annually confirmed this. Britannia also entered the "Hall of Fame" for being among the top ten "Most Trusted Brands" across all products and categories for the last decade.

Everything that the Company accomplished was made possible by the drive for operational effectiveness through 3 priorities of revenue management, cost management and innovation and these would continue to be driven hard in the coming year as well.

The Chairman also mentioned some of the specific highlights of the Company's performance during the year 2011-12:

- The emphasis on innovation generated 10% of revenue in Bakery and 14% in Dairy from new products.
- To service the increased demand for its products the Company created two new green field units in Bihar and Orissa which were commissioned towards the end of the year. Capacity was also enhanced in several of its existing units and CP partners.
- The emphasis on cost management and cost reduction continued with over 380 specific programs across the Company to drive greater effectiveness and efficiency, spanning the entire value chain – from design to delivery.
- Energy conservation and the use of clean fuels had been another priority for the Company and to that end several initiatives were taken during the year using fuels like propane, LPG, PNG and biomass, where such fuels were available.
- With a view to maximizing the efficiency and effectiveness, the Group had clubbed all the specialized resources in the Group under Nowrosjee Wadia & Sons Limited (NWS) to serve as a common services unit to serve all the Group Companies and improve the efficiency of all the businesses across the Group.
- The Company believed that the best way to be socially responsible on a sustainable basis was to embed that idea into its business model. 50% of the volume that Britannia sold, across biscuits, bread and dairy was already enriched with micro-nutrients. The Company was also partnering NGOs and state governments to provide micro-nutrient enriched products to populations most at risk, which were school children.

Looking ahead, the Chairman mentioned that the current year would be extremely challenging both for Britannia and for the country and the economy. The drought situation in several parts of the country was already impacting prices and market sentiment. The probability of a lower GDP growth of 6% would also impact growth prospects all round. Food prices, likely to rise again with the threat of drought and high interest rates would further exacerbate the situation and increase the cost of running the business.

Despite this tough environment, the Management of the Company was committed to operational excellence and the Company had a long term growth plan, strategy and road map to which it would adhere. The Management was fairly confident that over the trajectory of that plan, the Company would be able to achieve the ambitious goals it had set for itself.

The Chairman acknowledged that all this was made possible by the employees of the Company who had shown great passion and diligence in their work, every day and operated collaboratively with an extensive network

of stakeholders, to create delightful and consumer-friendly products and make them available in four million retail points across urban and rural India.

The Chairman, on his own behalf and on behalf of the Board, thanked every employee and every partner of Britannia and last but not the least, the shareholders for reposing their trust in, and extending their support to, him and his colleagues on the Board.

The Chairman then proposed the following Resolution as an Ordinary Resolution which was seconded by Mr. B. K. Guha:

“RESOLVED THAT the Directors’ Report and the Audited Balance Sheet as at 31st March, 2012 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.”

Before putting the Resolution to vote the Chairman invited queries from the members on the accounts and the Company’s working.

The following shareholders then addressed the meeting.

Mr. Birendra Kumar Roy:

Mr. B. K. Roy stated that he had received the Company’s reply dated 31st July, 2012 in response to his letter of 14th July, 2012 containing certain queries/observations. Mr. Roy was satisfied with the reply and had no further queries to make. He was happy with the very good services being rendered by the Company’s Secretarial team to the shareholders.

The Chairman expressed the hope that this would set the trend for all speakers.

Mr. Arup Kumar Das:

At the outset Mr. A. K. Das complimented the Company Secretary and his team for forwarding the Annual Report well in advance.

He congratulated the Company and its entire team for the Company’s performance registering an increase of 18% in sales, 29% in net profit and 31% in dividend.

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

- The previous year’s figures be provided alongside the expenditure on R&D (Refer page 11 of the Annual Report). This would help in assessing whether or not there was an increase in the expenditure.
- Referring to the increase in the power and fuel cost (Page 56), whether the Company had carried out any energy audit to reduce the power and fuel cost.
- Whether the Company had any plan for setting up any new project in the state of West Bengal?

Mr. Santosh Kumar Saraf:

Mr. Santosh Kumar Saraf, at the outset, thanked the Chairman and the Management for the excellent result achieved during the financial year

2011-12. He was quite appreciative of the fact that the dividend payout was around 60 % of the total net income.

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

- The Company's Income had not kept pace with the increased rate of dividend and dividend payout over the last 10 years. While in 2002-03 the dividend amounted to Rs. 25 crores, in 2011-12 it was Rs. 101 crores – a 4 fold increase. The income during the period increased only to the extent of 1.1/2 times.
- Reserves increased only to Rs. 496 crores from Rs. 365 crores in 2002-03. This would cause problems for future expansion.
- Referring to newspaper reports 3 to 4 months earlier about a statement by Mr. Jeh Wadia regarding the proposed integration of the resources of the group companies under one umbrella, he wanted to know whether the Registered Office of the Company was likely to be shifted to Mumbai or to any other place.
- The Company had a sizable investment in Mutual Debt Funds. In this context, he wanted to know whether the Company had any investment advisors and if so, the amount of fees paid to them.
- Rusks made by the Company were very good, but were a little bit sweet. The Company must make salted and spicy rusks which could be consumed as snacks with tea. Such rusks made by smaller manufacturers were available in the market.
- The Company must set up its own exclusive outlets/stores in big malls and shopping complexes where all the products of the Company could be made available, as was being done by 'Biskfarm' for their products.

Mr. B N. Kundu

Mr. B. N. Kundu observed that the Company's performance during the year was extremely good registering robust growth in sales and profit. He mentioned that with innovative marketing the Company was expanding its market presence along with dairy products. He hoped that the growth rate would be maintained. He observed that the Company held about 1/3rd market share in biscuits and was happy that it was celebrating the 25th anniversary of Goodday launch which was one of its most 'iconic' brands. He remarked that the Company's international business was expanding with growing exports from India. He felt that there was a great scope for growth in dairy business in the country and that the Company must introduce more value added products. He commented that India still depended on import of good quality cheese from overseas and that Britannia could initiate steps to 'Indianize'. He appreciated that the Annual Report presented all the information in great details.

He sought details on the following points:

- To whom was the intercorporate deposit of Rs. 60 crores shown under short-term loans and advances, given.
- The Company needed to conserve cash as it would be returning the Bonus Debentures amounting to Rs. 406.13 crores next year.

- During the year under review, the Company had purchased biscuits, bread and cake as traded goods to the tune of Rs. 530 crores and also paid conversion charges of Rs. 419 crores. He wanted to know whether all these transactions were channeled through its subsidiaries/associate companies.
- The Company had given a corporate guarantee of Rs. 184 crores to Britannia and Associates (Mauritius) Pvt. Ltd. In view of some negative development, he wanted to know whether the situation did not call for making a provision in the accounts for a possible loss.
- The Company had issued letters of comfort to 3 of its subsidiary companies for a total amount of Rs. 67 crores. In such cases too, in case of any default by these subsidiaries, it would be the responsibility of Britannia to discharge the liability.
- Though the Company had 2 primary business segments, i.e. Bakery products and Dairy products, why was the Company not giving any segment information in the Annual Report.

He thanked the Secretarial Department for sending the Balance Sheets well in advance.

Mr. Subhendu Roy Choudhari:

At the outset Mr. Subhendu Roy Choudhari remarked that the AGM of Britannia was one of the AGMs of very few companies that he attended not only because of its performance over the year but also because of the cordial services extended by the local secretarial team based at the Kolkata office. While appreciating the Company's performance for the year under review, Mr. Choudhari made the following observations:

- Hyatt Regency chosen as the venue of the Meeting was inconvenient for commutation as most of the shareholders were living down town and, therefore, the venue be shifted to The Oberoi Grand as was done in the earlier year.
- It was a welcome effort that Britannia formulated iron-rich biscuits to supplement the main meal given to the children in schools. He hoped that in the days to come Britannia would play a leading role in providing mid-day meal to primary students, though at a cost, to eliminate adulteration and leakage of raw-materials supplied by the Government to schools, thereby benefiting the children immensely.
- The Company had signed the Wadia Brand Equity & Business Promotion Agreement. He was not sure how it would help the Company. He hoped that the Company would continue to maintain its ethics as hitherto.
- 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 going in for solar energy or solar thermal. Though he had been suggesting this for the past several years, adequate attention had not been given by the Company in this area. According to him, usage of solar cells or even solar thermal would bring down the energy cost.
- He showed his concern over the quality of some of the products. He cautioned that the Company should uphold its quality. He felt

that quality of some of the products was questionable. He complained that the cream cracker that he had with his tea that morning was over-baked. According to him, the quality of similar products supplied by ITC was the best available in the market.

- He said that as mentioned by him earlier, the Company should harness bio-fuel throughout its factories. He recommended die-electric heating, one of the best and the latest methods practised globally, for baking biscuits. Though the initial cost of investment could be slightly high, the process would ensure quality products and also save energy cost.
- He requested the Chairman to consider an issue of Bonus Shares as the Reserves and surplus had been going up.

Mr. Inder Chand Agarwala:

Mr. I. C. Agarwala felt that the Company's shareholder base of 35,000, after 93 years of its existence, was too low and should have gone up substantially, to at least 1 lakh.

He recorded 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 share-split, bonus issue, etc., but he expressed his disappointment at the following negative aspects:

- Advertisement cost of as much as Rs. 380 crores which according to him, even after 93 years of the Company's existence, was not justified in view of the fact that Britannia was a house-hold name;
- Depreciation cost of Rs. 47 crores;
- Use of the term "commission" for payment made to the directors though he was not per se against payment of commission to directors;
- Huge tax outgo.

He made the following suggestions:

- The Company should reduce the price of biscuits by 10% and thereby help reduce inflation; and
- The Balance Sheet should be printed in Hindi.

Mr. Arabinda Basu

At the outset Mr. Arabinda Basu congratulated the Chairman, the Board and all sections of the Company's staff for the excellent performance recorded for the year 2011-12.

Mr. Basu observed that in terms of sale, net profit was below 4% and steps, therefore, needed to be initiated to improve the position.

Mr. Basu raised the following queries:

- Whether the lease deed of Taratola Factory, was already executed or not or whether there were problems in relation thereto.

- Whether the Company had any plan to acquire any new plant or new business.
- Whether the proportion of the Company's own production had risen beyond 30% of the total production indicated in the preceding year and if so, by how much.

Mr. Basu mentioned that he had no complaints about the Balance Sheet which he had received well in advance, for which he thanked the secretarial team. He also thanked the Company for providing Tea/Coffee to the shareholders at the Meeting venue.

Mr. Alok Kumar Pal:

Mr. Alok Kumar Pal expressed his sincere gratitude to the Secretarial Department for excellent and remarkable Investor service. He thanked the Board for recommending higher dividend and for achieving better performance. He also thanked all staff, workers and executives for their dedication and hard work which made the performance possible.

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

- Of the 8 banks listed on the opening page of the Annual Report, who the lead banker was.
- How the Company celebrated the 25th year of Goodday launch and whether the shareholders were invited to the celebrations.
- Whether the Company had introduced Six Sigma for improvement in manufacturing process.
- Why Daily Bread's operation was largely confined to Bangalore and why was it not extended to other metro cities.
- What the cost of the two new Green-field units set up in Hajipur, Bihar and Khurda, Orissa, was.
- Whether all factories of the Company were ISO 9000 compliant.
- Whether the Company had obtained ISO 14000 safety and environment compliance certification.
- How many employees were covered under Section 217(2A).
- How much Royalty would be paid to Nowrosjee Wadia & sons?
- Since the electricity cost had gone up, whether the Company had undertaken any energy audit to reduce electricity cost.
- There should be greater disclosure of the various categories of risks perceived and a detailed discussion on the mitigation plans in the paragraph covering Risks and Concerns.
- The name of the Internal Auditors should be disclosed.
- Whether the Company had any Suggestion Scheme in operation.
- Data of volume traded along with the Stock price data be given, to help the investors assess liquidity in capital market.
- Out of the six independent directors, who the lead Independent director was. or whether the Company had the practice of appointing such lead independent director.
- What were 'certain services' and 'specialised requirements' referred to by the Auditors in their Report under item (v)(b).
- Major dues clubbed together on page 33 of the Annual Report should be bifurcated and shown.

- Whether the renewal of Agreement in respect of the land of two factories referred to in Note 11- Fixed Assets, was complete or still pending?
- Investment of the company was to the tune of Rs. 218 crores (page 51 of the Annual Report) and at the same time there existed a significant debt. The debt be retired and the Company be made debt-free.
- Interest cost had increased (page 56) and would need to be reduced.
- Significant ratios be given for at least 2 years (page 109); or else give them on the same page as the Ten Year Financial Statistics (page 110).

Mr. Naresh Kumar Shah:

Mr. Naresh Kumar Shah at the outset thanked the Board for the Company's overall performance during the year under review. He was quite pleased with the Balance Sheet.

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

- Net cash flow from operating activity shown on page 2 was less than the previous year whereas the profit had gone up. He wanted to have an explanation for this. He also sought a clarification as to why profit made on sale of investments/assets was shown as a deduction and not an addition in the cash flow statement (page 76).
- The Company incurred an amount of Rs. 41 crores by way of financial interest/charges. He felt that withdrawal of the investment and utilization of that money for operations would be a better proposition than the Company borrowing money at a high rate of interest and paying finance charges to the banks.
- What was the return on investments made in mutual funds.
- Why the Company's advisor was advising the Company to invest its surplus funds in Mutual Funds while on one side it was incurring huge cost by way of interest.
- What the benefits of a cost audit were. How much the company spent on cost audit?
- Who the original promoters who set up the Kolkata factory of Britannia which currently was the leading biscuits manufacturer, and what their shareholding in the Company was.
- The Company should exhibit the video-recording of its factory before or after the AGM so as to give them an idea of the factory operations.

Mr. Shyam Lal Rathi:

Mr. Shyam Lal Rathi made the following observations:

- As observed from the Balance Sheet the Company was debt free and the interest rate positive in as much as the interest outflow amounting to as much as Rs.33.60 crores was in respect of Bonus Debentures. While the Company earned an interest income of Rs. 22.75 crores.

- The consolidated turnover increased by 19.39% and particularly the Daily Bread's turnover was up by 25.4% while that of SFIC was up by 29.2%. The gross profit margin was marginally up from 5.73% in the previous year to 5.98% while the operating profit was up from 6.62% in the previous year to 6.74%. The royalty income increased by almost Rs. 1 crore from Rs. 4.15 crores in the previous year to Rs. 5.17 crores. He enquired whether or not, going forward, the royalty income was expected to go up.
- The advertisement cost of Rs. 380.95 crores went up from 7.18% of the turnover in the previous year to 7.60%.
- In biscuits manufacture, temperature, timing and mixing were very critical and while switching over to multi-fuel flexibility, the timing would vary and the temperature would need to be controlled. He wanted to know more about this process.
- The innovative product of 'chocolate fantasy' made by the Company was black in colour which one would not like to have first thing in the morning as it would act as a deterrent.
- Porridges, upma and poha made by the Company to cater to the needs of diabetic patients would not sell in South India where every nook and corner the popular South Indian food of 'Idlies and Dosas' was available. The Company should launch and market products in various states suiting their peculiar tastes like 'luchees' in Bengal, 'chole bature' in Punjab, 'aloo vada' in Mumbai, 'puran poli' in Gujarat and 'haldiram kachori' for Marwaris.

Mr. S N Kundu:

Mr. S. N. Kundu, at the outset, congratulated the Company on achieving good results and recommending higher dividend and for this, complimented the whole management team of the Company.

Mr. Kundu requested the Company to consider issuing bonus shares as they would add to the assets of the shareholders. He suggested that the Company should set up at least in the main cities like Kolkata, Mumbai, Madras, etc. its own exclusive outlets/stores where all the products of Britannia could be made available.

Mr. Kundu thanked the local secretarial team in Kolkata for their good service.

Mr. Abhijit Kumar Gupta:

Mr. Abhijit Kumar Gupta thanked the Board and all employees of Britannia for putting up a good performance. He observed that while sales increased by 18%, profit increased by 29%, which was indeed quite encouraging in the current adverse economic situation. He thanked the Board for recommending a dividend of Rs 8.50 per share at 425%.

He further observed that the Company's dairy products especially cheese and butter were distributed only through selected outlets like Spencers, Metro Cash & Carry and such other outlets, and suggested that the Company should increase its sales outlets so as to widen its customer reach.

He thanked the local office staff of Kolkata for maintaining cordial relationship with the investors and for sending the Annual Report and details of the AGM well in time.

Mr. Manoj Gupta:

Mr. Manoj Gupta, at the outset, complimented the secretarial department for delivering the Balance Sheet to him by courier. He complained that he was yet to receive the copy dispatched by post.

He also thanked the Managing Director for leading the Company not only at the national level but also at the international level, under whose guidance and supervision, the turnover grew by more than Rs. 4,000 crores.

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

- The Company should appoint one or two Executive Directors to help the Managing Director in running the organization smoothly, or consider the option of promoting her as Vice-Chairman and MD.
- Which biscuit was selling the highest under Britannia brand in India.
- The Company's presence in malls like Spencer, Big-Bazar, etc. was very minimal because competition from a local player, Bisk farm, was severe in Kolkata. The Company should consider opening its own exclusive shops in some of the malls where all its products could be easily made available.
- Whether the Company had any plan to engage an expert to ascertain its Brand value.
- The Company's shares are under-priced.
- The Company's presence in central India, particularly in Raipur, Bilaspur and Indore, is thin.
- Some of the Company's products available in Mumbai were not available in Kolkata and some of them available in one area of Mumbai were not available in another area in Mumbai. The energy drink launched 3 years ago had still not reached Kolkata, nor was Tiger Zor available in Kolkata. The Company should ensure availability of all its products nationally.
- 12 was an unlucky number and the Company should, therefore, either increase the Board strength by 1 or 2 more or decrease the number of directors by 1.
- What was the Company's dividend plan for the future as competition was increasing. Whether the Company would be able to maintain its dividend at 425% in future too.
- Whether the Company had any plan to launch chips/noodles as other competitors were doing, as the younger generation in the age group of 3 to 14 were switching over from biscuits to chips such as uncle chips, kurkure and lays.
- Britannia is a Registered Trademark. The logo was shown as a Registered Mark in Britannia Annual Report while in Bombay Dyeing Annual Report, the logo was shown differently as a Trade Mark TM..
- He supported Wadia charging royalty from Group companies as it could then do more charity and CSR. He enquired what would be percentage of royalty payable by Britannia to NWS.
- The foreign business recorded a turn-around and hopefully, it would make good profits by next year and start paying dividend to BIL.

- The Company should consider appointing one or two more lady directors on the Board.
- With the Company obtaining relief from the Hon'ble High Court of Bombay in respect of its Mumbai Plant, how it proposed to use the land of its Mumbai Plant in future.
- Before remitting the unclaimed dividend to the Central Government, the Company should send a reminder to the Shareholders calling upon them to claim the unclaimed dividend, if any, from the Company.
- The Company's expenses had gone up by 20% from Rs.1,107 crores in the previous year to Rs. 1,369 crores, which must be reduced.
- There were several cases on pension matters in various courts across the country which the Company would need to look into.

[The Chairman at this stage intervened to remind Mr. Manoj Gupta that there were several more speakers to come and requested him to hurry up. In deference thereto, he wound up his speech]

Mr. K. L. Mallik:

At the outset Mr. K. L. Mallik congratulated the Company Secretary and his team for maintaining a healthy Investor relations service and for sending the Annual Reports in time, and the CFO for presenting an excellent Balance Sheet.

He congratulated the Chairman and the Managing Director for all round performance which was better than the previous year and for excellent dividend payout which surpassed the Company's earlier records in its entire history. He hoped that this trend would be maintained in the years to come too.

He has made the following observations/suggestion:

- Referring to the Company's efforts in adoption of supply chain management and information technology in business operations, he was confident that the supply chain operation would be paperless and without human intervention. He commented that information technology and artificial intelligence would be the key drivers in future supply chain management.
- As part of its CSR, as a food manufacturing company, the Company rightly focused on two areas: food-based solutions to Increase nutrition and energy conservation by minimizing waste.
- As part of its efforts to combat climate change and global warming and to arrest carbon footprint, the Company should undertake plantation of trees along both sides of Taratola Road leading to its factory to make the area green with a hording to indicate: Britannia Eco-friendly Zone. This would give the Company better mileage.
- Wadia Brand Equity Arrangement was a good idea. Many groups in the country were doing such integration. Tata, Bata and Wadia were the domestic names of West Bengal. He hoped that NWS umbrella would not overshadow the Britannia Brand.
- He drew the management's attention to the recent notification on uniform packaging norms for consumer products issued by the Union Ministry. He enquired of the impact of this notification on Britannia as

the Company would be required to re-set its packaging machines and printers for outer wrappers.

Mr. Bijnan Singh Simal:

Mr. B. S. Simal at the outset remarked that the Company had come out with a very good Balance Sheet both lookwise and contentwise.

He raised/made the following queries/observations:

- By implementing green initiative, how many Balance Sheets were printed less as compared as a consequence. Other companies were taking undue advantage in the name of 'green initiative' by not sending the Balance Sheets to shareholders. He complimented the Company Secretary and his team for taking due care of the shareholders in this connection.
- Independent Directors be indicated and details of the Committees and their Chairman be also included on the opening page of the Annual Report.
- The remuneration of the Managing Director should be so fixed as to comprise a basic salary and a performance-based component.
- Reasons be given for the wide variation in the amounts of commission paid to directors, though barring 1 or 2, all directors had attended 7 out of 9 Board Meetings held during the year under review.
- As part of the Corporate Governance Report, the CEO/CFO certificate be included from next year as CEO/CFO certification would ensure depth of confidence to minority shareholders.
- What was the exact nature of the Brand Equity Agreement signed between the Company and NWS and what would be its impact on the Company's profitability
- Though sales had increased by Rs. 749 crores a growth of about 18 % as compared to the previous year, there was complete stagnancy in profitability both EBIDTA and PAT, which indicated pressure on margins. How the Company planned to tackle this concern in the years to come.
- What cost control measures were taken by the Company.
- The ratio of sales to fixed assets employed had gone down from 13.32 times in the previous year to 10.80, which indicated that the Company was procuring a lot of materials from outside whose quality standards were doubtful. The Company should, therefore, ensure full utilization of its manufacturing capability.
- What were the reasons for the increase in the finance cost from Rs. 37 crores in the previous year to Rs. 38 crores while the long term loans had gone down to Rs. 28.15 crores from 430 crores in the previous year. What measures the Company planned to take to tackle this concern.
- When the Company expected to bring about a turn-around in the case of the 7 loss-making subsidiary companies and when would they become profitable.
- Action be initiated to ensure that the dividend declared at this AGM be credited to the shareholders' accounts within 2 days. Details of unpaid dividend be hosted on the Company's website so that it

would be a reminder to shareholders who had not encashed their dividend warrants for earlier years.

- What would be the impact on the parent company of the guarantees given to some of the other companies.

Ms. Areeba Hameed:

Ms. Areeba Hameed made the following observations:

- India was one of the largest importers of palm oil from Indonesia and companies like Britannia used palm oil as one of the major ingredients in their products such as biscuits or snacks. Most of the palm oil was coming into the country as a result of illegal deforestation because supply chain was not strict enough.
- Though companies like Britannia were not buying from illegal importers, they were not asking for sustainable palm oil.
- Carbon dioxide emission from deforestation was larger than any other source of carbon emission.
- Companies like Britannia should put in place a Palm Oil Policy insisting on the suppliers supplying only sustainable palm oil.
- What the view-point of the Company was on the report made by Green Peace regarding the above issue.
- The Management at senior management level and also at Board level should engage in a dialogue in this regard with Green Peace, India, because this was not only a CSR or corporate communication issue but an issue concerning Global Warming.

Mr. Mahesh Kumar Bubna:

Mr. M. K. Bubna at the outset expressed his happiness over the 'nice and beautiful' Annual Report containing details of awards received, products launched during the year under review with their photographs on the cover pages which were one form of advertisement.

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 coming years, the Company would cross the turnover of Rs. 10,000 crores.
- The Company should refrain from issuing bonus shares in the near future so as to keep the capital base low but the book value, debit-equity ratio and earnings per share high, as MRF did over the past 25 years. This would take up the market price of Britannia shares to Rs. 5000/Rs.6000 per share.
- Note (a) to the AGM Notice should be in bold and capital letters so as to attract the attention of the shareholders.
- The Company sorted out the dispute concerning the factory area with KPT.
- Profits from operations increased from Rs. 186 crores in the previous year to Rs. 232 crores.
- The Company should initiate measures to make its loss-making subsidiaries in Middle East profitable.

- The Company should explore the possibility of opening units in Europe and Britain where Britannia originated and countries like Hong Kong, Singapore, etc.
- The Company should introduce Ayurvedic biscuits without chemical compound, biscuits with chocolate and peppermint flavour and re-launch ginger biscuits and coconut crunch biscuits.
- Cream biscuits of Britannia flavoured with elaichi, mango, pineapple, etc. were not available in Kolkata.
- Integration of all Wadia group companies under the control of NWS was a good idea, as Tatas did under Tata Sons and Birlas did under Pilani Investments. The Wadia logo given in the Bombay Dyeing Annual Report with a brief background was nice and beautiful.
- The Company should delist its NCDs from the Calcutta Stock Exchange. In any event, these NCDs would get delisted next year when they would be due for redemption.

He thanked the management for good foreign exchange earnings

Mr. Krishnendu Das:

At the outset Mr. Krishnendu Das thanked the secretarial team in general and the local team in Kolkata in particular for sending the Annual Report in time.

He raised/made the following queries/observations:

- Whether the Bonus Debentures issued by the Company were traded on Bombay Stock Exchange or National Stock Exchange.
- Whether arising from the execution of the Wadia Brand Equity Agreement Britannia would adopt the logo of Wadia Group.
- Amul was the Number 1 milk producer in the country. Likewise, Britannia should also introduce poly pack milk.
- The Company should introduce eggless cakes, and also enter into Pizza business especially in the 4 Metros where there was great growth potential. Jubilant Foods was registering 50 to 60% growth in its Pizza business.

Mr. Das expressed the hope that the Company would record higher profits and declare higher dividend in the coming year.

Mr. Sarbananda Gattani

Mr. S. Gattani commented that he was happy to be at the AGM as he could meet the Chairman, a renowned industrialist, and Ms. Vinita Bali, powerful business woman of India.

He stated that the Balance Sheet was very nice and he did not have any queries to make on the accounts.

He made a request that a factory visit be organized for the benefit of the shareholders.

He thanked the CFO, the Company Secretary and his team including the local team in Kolkata for maintaining very good relations with the

shareholders and for sending quarterly results and the annual reports of the subsidiary companies whenever sought.

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:

- R&D cost was about Rs. 4.5 crores. That was only the basic cost and did not include the overheads.
- The increase in fuel cost to the extent of 32% was the result of a hike in rate and not in terms of consumption. In fact there had been savings over the years in the energy cost in absolute terms and usage.
- (Responding to the observation of Mr. Saraf that dividend went up more than the profits), the payout ratio used to be much less in the past and in the year under review it was enhanced.
- No fees were paid to any advisors.
- The Company had given Inter Corporate Deposits to HDFC and Tata Capital.
- The Company had a combination of purchased and finished goods and conversion costs for outsourced goods.
- The Company had not given any loan to its Mauritius subsidiary. It was a Guarantee given for the debt which was taken by the international subsidiary.
- Letters of Comfort were given by the Company to its 100% overseas subsidiaries.
- The Company set up new factories in Bihar, Orissa and Gujarat. The Company entered into a lease and licence agreement with Kolkata Port Trust in respect of its factory in Kolkata.
- (Responding to Mr. Pal's query why Daily Bread was not being marketed everywhere), Daily Bread was a highly specialty bread and was not something that went in just every market. The Company was going market by market, selectively and cautiously.
- The cost of putting up a new factory was roughly in the range of Rs. 50 crores in terms of capital cost, depending on the cost of the land.
- The number of employees covered u/s 217 (2A) was 20.
- The royalty under the NWS agreement was a maximum of 0.25 % but the actual charge would be much less than that.
- As mentioned in the Chairman's opening remarks, the risks and concerns were the current environment in terms of the drought all over India, slow down in growth and high interest cost.
- The Internal Auditors were Aneja & Associates.
- The request for furnishing the data relating to volume of shares in addition to the stock price was noted.
- The Company did not have a lead Independent Director among the Independent Directors.
- Treasury Investment was made from available resources which could earn more interest than the interest payout. The delta between borrowing cost and earning ability was borne in mind.
- The request for furnishing 10 years ratios in the Annual Report was noted.

- The Company was receiving royalty from its subsidiary companies for use of brand Britannia.
- The Company was trying to increase multi-fuel usage across all its factories.
- (Responding to Mr. Kundu's request for Bonus shares), the request was noted.
- It made no sense for Britannia to have just an Exclusive Shop only for its products because widespread availability was critical and people shopped at stores selling more than just one product or brand close to their homes.
- Mr. Abhijit Kumar Gupta's complaint about non-availability of cheese and yogurt in certain areas was noted.
- (Responding to Mr. Manoj Gupta's complaint about non-receipt of Annual Report by post), This was a constant annual problem and the Company was helpless in this regard. It usually made it a point to dispatch by post the Annual Reports to shareholders well in time.
- GOODDAY was the highest selling biscuits. Britannia had a presence in the malls that stocked bakery products. The Company had not carried out any Brand valuation. Mr. Manoj Gupta's suggestion in this regard was noted.
- Mr. Manoj Gupta's comment of the Company's presence in central India being weak was noted.
- The Company made national products and also regional products. National products were all major key brands while regional products were developed basically to cater to particular areas where tastes or requirements were different. It was precisely for this reason that the Company had a combination of the two products.
- The Company had launched several snacking products and some more were on the anvil.
- International Business was currently stabilizing and growing.
- The land in Bombay which had the factory earlier was being used as both a Depot and an office.
- Notices were being sent to shareholders from time to time regarding unclaimed dividend before transferring it to IEPF, requesting them to claim it from the company.
- The pension litigation was still continuing
- The points made by Mr. K. L. Mallik concerning supply chain and standardization of weights were noted.
- The Company was supporting several green initiatives
- The Company was trying to go green as much as possible in all fuels being used. Solar Energy was not economical yet to use. The Company was trying to use bio-mass and gas more and more.
- The details of all the directors and committees were available in the in the Annual Report and 4 to 5 pages of the Annual Report were devoted for these details.
- The commission paid to the MD was on the basis of the performance and the decision was taken by the Remuneration Committee. The Company's performance had been better and the commission was very well earned.

- In so far as the commission to directors was concerned, it was distributed basically on the number of meetings attended, quantum of time spent in the company, attendance at the meetings of other committees like Innovation Committee. There was thus a basis for payment of commission to directors.
- The Brand Equity Agreement between Britannia and NWS was a group agreement for all common services. Previously, all the common services were supplied by Bombay Dyeing. It was decided to centralize and bring all common services under one umbrella. The Brand Royalty would be within a maximum of 0.25% but the intention was to keep the charge in the region of 0.1%.
- The margins were under pressure. The sales to Fixed Assets ratio was less because the Company invested more in Fixed Assets as it had set up its own manufacturing facilities during the past couple of years. During the last one year, the Company put up 3 factories.
- Reduction in long term loans was because of debentures having been moved under current liability being short-term as they were due for redemption in less than 1 year.
- The dividend payment would be made in 48 hours. Regarding unclaimed dividend, notices were sent to all those who were yet to collect it.
- The guarantees amounted to Rs.180 crores and were given to the Company's subsidiaries.
- The points raised by Ms. Hameed were well taken. The Company would certainly evaluate as to how it could address the issues raised mainly to make sure that supplies of palm oil were procured from people who were ethical.
- The points made by Mr. Bubna to highlight Note (a) to AGM Notice in bold and capital letters, and the health benefits of ayurveda were noted.
- The Debentures were due for redemption towards the end of the current year. The interest the Company was paying was 8.25% which was substantially lower than the prevailing market rate.
- The Wadia name would only indicate that all companies were just part of one Group. The key brand would be still Britannia.
- The company had no intention to go in for Pizza business.
- Net Cash Flow was basically used for capex. The gross cash flow had improved but the net cash flow had gone down because the Company invested in capex and capex had been the highest in Britannia over the last 2-3 years .
- The Cost Audit fee was Rs. 2.25 lacs
- The Gupta family was the original promoters who started Britannia 93 years ago.

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. S. Gattani proposed the following as an Ordinary Resolution:

“RESOLVED THAT as recommended by the Board of Directors, a dividend of Rs.8.50 (Eight Rupees Fifty Paisa only) per Equity Share of Rs. 2 each be declared and paid out of the profits for the year ended 31st March 2012 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 18th July, 2012 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 18th July, 2012 as per details furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. for this purpose.”

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

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

"RESOLVED THAT Mr. Keki Dadiseth, a Director retiring by rotation, be and is hereby reappointed 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.

9. Mr. Abhijit Kumar Gupta proposed the following as an Ordinary Resolution:

"RESOLVED THAT Mr. Avijit Deb, a Director retiring by rotation, be and is hereby reappointed a Director of the Company".

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

10. Mr. Dipankar Roy proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Nimesh N Kampani, a Director retiring by rotation, be and is hereby reappointed a Director of the Company".

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

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

"RESOLVED THAT Mr. S S Kelkar, a Director retiring by rotation, be and is hereby reappointed a Director of the Company".

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

12. Mr. Abhijit Kumar Gupta 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 up to the conclusion of the Ninety-fourth Annual General Meeting of the Company to examine and audit the accounts of the Company for the financial year 2012-13, 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. Dipankar Roy 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