N. M. RAIJI & CO.
Chartered Accountants
Universal Insurance Building
Pherozeshah Mehta Road
Mumbai – 400 001

SNB ASSOCIATES
Chartered Accountants
12, 3rd Floor, Gemini Parsn Complex
121, Mount Road
Chennai – 600 006.

Auditors' Report
To the members of Tata Coffee limited

1. We have audited the attached Balance Sheet of Tata Coffee Limited (the Company) as at March 31, 2012 and also the related Profit and Loss Statement and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003, (hereinafter referred to as 'the Order') as amended by the Companies (Auditors Report) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to above, we report that:

   i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   iii. The Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   iv. In our opinion, the Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

v. On the basis of written representations received from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

vi. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes there on and attached thereto give the information required by the Companies Act, 1956, and give a true and fair view in conformity with the accounting principles generally accepted in India:

a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012;

b. in the case of Profit and Loss Statement, of the Profit for the year ended on that date;

c. in the case of Cash Flow Statement, of the cash flows for the year ended on that date;

For N.M.RAIJI & CO
Chartered Accountants

J.M.GANDHI
Partner
Membership No:37924
(Firm's Registration No: 108296W)

Place: Bangalore

Date: May 08, 2012

For SNB ASSOCIATES
Chartered Accountants

S.LAKSHMANAN
Partner
Membership No:20045
(Firm's Registration No: 015682N)

Place: Bangalore

Date: May 08, 2012

Annexure to the Auditor's Report of Tata Coffee Limited

[Referred to in paragraph 3 of the Auditor's report of even date to the Members of Tata Coffee Limited on the financial statements for the year ended March 31, 2012]

i. a. The Company is maintaining proper records showing full particulars, including quantitative details and the situation of its fixed assets;

b. A major portion of fixed assets has been physically verified by the management during the year. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed have been properly dealt with in the books of account.

c. The assets disposed off during the year are not significant and therefore do not affect the going concern assumption;

ii. a. The management has conducted physical verification of inventory at reasonable intervals. In our opinion and according to the information and explanations given to us, the procedure for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;

b. In our opinion, the Company has maintained proper records of inventory. The discrepancies between the physical stocks and the book stocks were not material and have been properly dealt with in the books of account;

iii. In our opinion and according to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured to/from the companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

iv. In our opinion and according to the information and explanations provided to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.

v. In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements, the particulars of which need to be entered in the register maintained under Section 301 of the Companies Act, 1956.

vi. The Company has not accepted any deposits from the public;

vii. In our opinion, the company has a system of internal audit, which is commensurate with the size and nature of its business.

viii. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government under Section 209(1) (d) of the Companies Act, 1956 for maintenance of Cost records in respect of Coffee, Coffee products and tea and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

ix (a) As per the records of the company and information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed amount of provident fund, investor education & protection fund, employees state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise-duty, cess and other applicable statutory dues. No undisputed amount was outstanding as at 31st March 2012 for a period of more than six months from the date they became payable.

(b) As at the Balance Sheet date, the following are the details of disputed Income Tax, Excise Duty, Customs Duty, Service Tax, Sales Tax and Cess that have not been deposited with the concerned authorities;

Nature of dues	Relevant Financial Year	Disputed amount (In Lakhs)	Forum Where dispute is pending
Central Income Tax	2003-04	8.34	Karnataka High Court
	2004-05	1.91	Karnataka High Court

x. The Company has neither accumulated losses at the end of the financial year nor incurred cash losses during the year and in the immediately preceding financial year;

xi. Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders;

xii. Based on our examination and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;

xiii. The Company is not a chit/nidhi/mutual benefit fund/society.

xiv. The Company is not dealing or trading in shares, securities, debentures and other investments;

xv. On the basis of the information and explanations given to us the Company has not given any guarantee for loans taken by others from bank or financial institutions;

xvi. During the year, the company has taken the term loans. In our opinion and according to the information and explanation given to us the term loans have been applied for the purposes for which they were obtained.

xvii. On the basis of our examination of the books of account and the information and explanation given to us, in our opinion, the funds raised by the Company on short-term basis have not been used for long-term investment.

xviii. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.

xix. To the best of our knowledge and belief and according to the information and explanations given to us, for the debentures outstanding necessary security has been created as per the terms of the issue.

xx. The management has disclosed the end use of money raised through partly convertible debentures in the Notes on Accounts to the financial statements vide note no 2.32. The said details have been verified by us.

xxi. To the best of our knowledge and according to the information and explanations given to us, having regard to the nature of the Company's business, no material fraud on or by the Company was noticed or reported during the year.

For N. M. RAIJI & CO.
Chartered Accountants

J.M.GANDHI
Partner
Membership No: 37924
(Firm's Registration No: 108296W)

Place: Bangalore
Date: May 08, 2012

For SNB ASSOCIATES
Chartered Accountants

S. LAKSHMANAN
Partner
Membership No: 20045
(Firm's Registration No: 015682N)

Place: Bangalore
Date: May 08, 2012

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12, 3rd Floor, Gemini Parsn Complex
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Chennai – 600 006.

The Board of Directors
Tata Coffee Limited
Bangalore

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

1. We have examined the attached Consolidated Balance Sheet of Tata Coffee Limited (the parent), its subsidiaries and Joint Venture (together 'the group') as at March 31, 2012, the Consolidated Profit and loss statement and the Consolidated Cash Flow Statement for the year ended on that date.

2. These financial statements are the responsibility of the management of Tata Coffee Limited. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

3 We did not audit the financial statements of one of the subsidiary and Joint Venture whose financial statements reflect total assets of Rs 134,931.87 Lakhs and net assets of Rs 39,013.72 Lakhs as at 31st March 2012, total revenues of Rs. 104049.67 Lakhs, net cash inflows of Rs.582.05 Lakhs and Group's share of profit of Rs 235.64 Lakhs for the year ended 31st March, 2012 as considered in the consolidated financial statements.

These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, so far as it relates to the amounts included, in respect of the subsidiary and Joint Venture, in the consolidated financial statements based solely on the report of the other auditors.

4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial statements and AS 27, Financial reporting of Interest in Joint Ventures issued under the Companies (Accounting Standards) Rules, 2006.

5. Based on our audit and on consideration of the reports of other auditors on separate financial statements and on other financial information of the subsidiary and joint venture as referred to above, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements of Tata Coffee Limited gives a true and fair view in conformity with the accounting principles generally accepted in India;

   a) In the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31,2012;

   b) In the case of the consolidated Profit and Loss Statement, of the profit of the Group for the Year ended on that date; and

   c) In the case of consolidated Cash Flow Statement, of the consolidated Cash Flows of the Group for the Year ended on that date;

For N. M. RAIJI & CO.
Chartered Accountants

J.M.GANDHI
Partner
Membership No: 37924
(Firm's Registration No: 108296W)

For SNB ASSOCIATES
Chartered Accountants

S. LAKSHMANAN
Partner
Membership No.: 20045
(Firm's Registration No: 015682N)

Place: Bangalore
Date: May 08, 2012