Proceedings of the Fiftieth Annual General Meeting of Tata Global Beverages Limited held on 15th July 2013 at 10.30 a.m. at The Oberoi Grand, 15 J. N. Road, Kolkata - 700013

PRESENT AT THE MEETING:

Directors : **Mr. Cyrus P Mistry (Chairman)**
Mr. R. K. Krishna Kumar (Vice Chairman)
Mr. F. K. Kavarana
Mrs. Mallika Srinivasan
Mr. V. Leeladhar
Mrs. Ranjana Kumar
Mr. Darius Pandole
Mr. S Santhanakrishnan
Mr. Harish Bhat (Managing Director)
Mr. Ajoy Misra (Executive Director)
Mr. L Krishnakumar (Executive Director)

Secretary : Mr. V. Madan

Members : 1041 Members in person and 133 Members by proxy as per the Attendance Register/Attendance Slips/ Authorised Representatives/Proxy Register. 3 persons were present as corporate representatives under Section 187 of the Companies Act, 1956.

Secretary : In terms of Article 94 of the Articles of Association of the Company, Mr. Cyrus P Mistry, Chairman of the Board of Directors of the Company took the Chair.

Quorum

The Chairman mentioned that the requisite quorum as required under law was present and accordingly, called the meeting to order.

At the request of the Chairman, the members and others observed a minute's silence as a mark of respect to those persons who lost their lives in the recent Uttarakhand floods.

The Chairman then welcomed the Members to the 50th Annual General Meeting.

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Notice

The Notice convening the meeting was taken as read with the consent of the members.

Auditors' Report

The Auditors' Report on the Accounts for the year ended 31 March 2013, was read by the Secretary of the Company. The Chairman sought the members' consent for taking the annexure to the auditors' report as read. Mr. S Gattani, a shareholder stated that the annexure must also be read. Some of the other shareholders informed the Chairman that reading of annexure was not necessary as the annual report had been with the members for quite some time. Mr. Gattani stated that he would request the Chairman to decide on the same and as directed by the Chairman, the Secretary read the first and last paragraphs of the Annexure to the Auditors' Report.

Chairman's opening Remarks

The Chairman paid tribute to late Mr. J.S. Bilimoria, Director of the company. He mentioned that Mr. Bilimoria joined the Board in January 2009 and served as the Chairman of the Board Audit Committee and that the Board was deeply saddened by his tragic and untimely demise and offered its condolences to Mrs. Bilimoria and members of the family, on this irreplaceable loss.

The Chairman then placed on record his deep gratitude to Mr. Ratan Tata, who stepped down as Chairman of the Board last year. He stated that Mr. Tata had led the Company with great distinction, over 21 years. His outstanding leadership helped overcome several challenges, which the Company faced during this period. Most importantly, he guided the transformation of this organisation from an Indian tea company to a global beverage major.

The Chairman further acknowledged the contribution of Mr. Arun Gandhi, who retired as Director with effect from 15th March 2013 and mentioned that Mr. Gandhi played an active and key role in several acquisitions undertaken by the Company, including the landmark Tetley acquisition. Mr. Mistry also acknowledged the contribution of Mr. U Mahesh Rao who retired as Director with effect from 2nd July 2013 and stated that Mr. Rao was associated with the Company from 1992, initially as a nominee Director, and thereafter from 2003 as an Independent Director and played a lead role in several Committees of our Board.

He thanked both Mr. Gandhi and Mr. Rao for their presence at the meeting.

The Chairman thereafter informed the members that Mr. R.K. Krishna Kumar, Vice Chairman, will be stepping down from the Board in a few days' time and acknowledged the invaluable contribution of. Mr. Krishna Kumar who served on the Board for over 25 years, in various capacities, including as Managing Director and Vice Chairman. With great vision and courage, he spearheaded a number of strategic initiatives, including the milestone acquisition of the global brand Tetley, which was the Tata group's first major overseas acquisition. He has always led from the front,

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and the Chairman conveyed the Board's admiration to Mr. R.K. Krishna Kumar and wished him well on his impending retirement, and for the next phase of his life.

The Chairman welcomed Mr. S. Santhanakrishnan and Mr. L. Krishna Kumar, who joined the Board after the last Annual General Meeting.

The Chairman briefed the members on the Company's performance in fiscal 2013 which were as follows:

- Consolidated revenue was Rs. 7351 crores, higher by 11% as compared to the previous year. The EBIT was Rs. 663 crores, higher by 26%, reflecting improved operating performance and favourable exchange gain impact
- Profit before Tax was Rs 637 crores, higher by 11% over the previous year. The consolidated Net Profit was Rs 373 crores, also improved by 5%
- On a standalone basis, total revenue was Rs 2,439 crores, registering 15% growth over the previous year. This was driven by good performance in the branded business and the benefit of price increases
- Profit before and after taxes, on a standalone basis, were lower than the previous year as the prior year had a significant exceptional income
- Over the last financial year, Tata Global Beverages' Indian tea business achieved strong sales performance, and also market share leadership in value terms
- A slew of product innovations were successfully launched in various markets during the year, including Tetley Chai Latte, Grand Melange Coffee and a range of Tetley "green tea plus" products. Tata Water Plus, India's first fortified water brand was launched in Tamil Nadu and Andhra Pradesh
- The year also saw the launch of the "Starbucks – Tata Alliance" and steady progress of this new venture to 12 stores by end – March. The store count is currently 17, and will keep increasing
- Amongst the Company's overseas operations, a significant improvement in profits was recorded by Eight O'Clock Coffee in the USA, as a result of focused strategy, good promotions management and lower commodity prices.
- Eight O'Clock Coffee and Tetley Tea also made an entry into the "pods" market in the USA and Canada, to leverage a new growth area
- The year saw an all-time record performance by our subsidiary company Tata Coffee, and by our associate company Watawala Plantations

Looking ahead, the Chairman informed that the market environment varies across continents. He said that India and the emerging markets present a picture of growth, though lower than in previous years. Europe continues to face recessionary conditions. The Americas are recovering, yet growth is muted.

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Competitive intensity continued to be high in many developed markets. While the coffee commodity costs are likely to remain muted, the tea commodity costs are currently presenting a mixed trend.

In the changing environment, the Company will focus on:

- Investment in brands, which are strong and well established. In particular, the Company will strongly invest in its flagship brands Tetley, Tata Tea, Eight O'Clock Coffee and Himalayan Water, as we expand their range and also strengthen their presence

- Capitalize on the global consumer trend towards health and wellness, which is fully aligned to the natural beverage categories in which we are present

- Focus on innovative new products, which can add value to consumers and stimulate demand

- Drive additional growth from our joint ventures with PepsiCo, Starbucks and Activate

The Chairman concluded by stating that the year ahead held many challenges and opportunities and the Company was confident that it will leverage them successfully, on the back of strong brands and a capable and dedicated management team.

The Chairman stated that the Annual Report this year celebrated women in our business, and showcased stories of many successful women managers who have contributed significantly to the Company. He mentioned that he strongly believed that women bring rich and diverse perspectives to the workplace, and add significant value to the corporate world and that every Company should put this topic at the forefront of its business and human resources agenda.

In ending, the Chairman mentioned that Mr. Tata had enjoyed the members' unstinted support over the years and requested the same support from the members to him in the years to come.

He then requested the Managing Director to make a presentation to the shareholders on the Company's performance during 2012-13.

Slide Presentation:

The Managing Director before making the slide presentation welcomed the shareholders to the AGM and thanked the Chairman for his remarks. Mr. Harish Bhat began his presentation with an overview of the story of Tata Global Beverage's innovation and mentioned that the efforts resulted in the launch of several brands across the categories of tea, coffee and water, namely, Tetley Calm, Tetley Estate Selection, Tetley Green Tea, Eight 'O Clock Chocolate Mint, Grand Melange, Tata Water Plus and Tata Gluco Plus.

He then summarized the operational highlights for 2012-13, which were as follows:

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- Strong top-line and improved operating performance despite challenging marketing environment in most developed countries.
- Several innovative products launched
- Rapid progress achieved in the two new joint ventures – Starbucks and NourishCo
- Favourable impact of cost interventions and exchange variation

Briefing on the stand alone Company operations, Mr. Bhat presented the highlights which were as under:

- 15% Top line growth across the portfolio with good volume and value increases
- Maintained market volume and value leadership with 20.5%^ and 22.2%^ respectively
- Selling Price increases fully compensated for increase in tea commodity costs
- Opened new manufacturing unit in Sampla (Haryana)
- New Shah Rukh Khan Jaago re Campaign launched with the theme "Badey Badlav Ki Choti Shuruat"

A video of the Jaago Re campaign featuring Shah Rukh Khan was played.

Mr. Bhat took the members through with the global operational highlights, significant of which were as follows:

- UK - Market leadership in decaff / redbush tea. Maintains number 2 position in green tea.
- UK- New Tetley premium blend product "Estate Selection" has been launched.
- Tea Pigs – our super premium tea brand – significant growth in sales.
- Grand coffee in Russia has the fastest growing freeze dried coffee brand in Modern trade.
- Strategy to turnaround Czech Republic and Poland made good initial progress. France reflects good recovery.
- Africa – new acquisition in our subsidiary Joekels transforms scale and impact of business
- All round improvement in performance in Australia with growth coming from key customers & new products launched (Chai Latte & Specialty)
- Significant profit increase in Coffee business in the USA and launch of EOC K-Cups (with Keurig) which was well received by customers.
- Challenging year for the Canadian business which was characterised by strong innovation agenda- 6 new variants launched (mocktails, green tea plus)

Mr. Bhat explained the highlights of the Water business and the progress made by Tata Starbucks during 2012-13.

Mr. Bhat introduced the theme of "Celebrating Women" adopted for the Annual Report 2012-13 and specifically highlighted the following core message from the Chairman's statement:

"Women bring rich and diverse perspectives to the workplace. Often, they bring management styles which are quite complementary to those of men. Workplaces that celebrate women naturally benefit from better decisions, as a result of such diversity. That alone is reason enough for every Company to put this topic at the forefront of its business and human resources agenda."

Mr. Bhat paid homage to Late Mr. J S Bilimoria. He further paid glowing tributes to Mr. R N Tata, Mr. P T Siganporia, Mr. A R Gandhi and Mr. U M Rao who all steeped down from the Company's Board since the last Annual General Meeting, upon reaching the age of retirement as per the policy adopted by the Board.

Mr. Bhat further paid tribute to Mr. R K Krishna Kumar who would be stepping down from the Board in a few days time. Mr. Bhat took the members through with various achievements / contributions made by Mr. R K Krishna Kumar during his 50 glorious years with the Tata Group. Mr. Krishna Kumar had led the transformation of TGB from an Indian tea plantation company, to the 2nd largest branded tea company in the world with growing interests in coffee and water.

Mr. Bhat concluded his presentation with the following words from Rabindranath Tagore, from *Gitobitan:*

"Raise the flag of victory in uncharted climes with strength of purpose"

Mr. Bhat said that the above words will inspire the group to become one of the finest beverage companies known to mankind

The Chairman thanked Mr. Harish Bhat for the presentation.

Adoption of Accounts & of the Reports of the Directors & Auditors

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

"RESOLVED that the statement of Profit and Loss for the year ended 31st March, 2013 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors of the Company thereon as submitted at this meeting be and are hereby adopted."

Before the resolution was put to vote, the Chairman requested the shareholders to make their comments and observations on the Accounts for the year ended 31 March 2013.

Several shareholders extended their warm welcome to the Chairman on the occasion of his maiden AGM as Chairman. Many shareholders also conveyed their best wishes to Mr. R N Tata and wished him all peace and happiness.

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The shareholders also complimented the Company for bringing out the Annual Report 2012-13 with the theme – "Celebrating Women". Ms. Sireesha Kadiyala, Member of Millennium Mams and a shareholder referred to the Annual Report as a unique and progressive idea of the Chairman and the Company. She complimented the Chairman and the management for having dedicated the Annual Report entirely to women. At her request her fellow members of Millennium Mams gave a standing ovation to mark the occasion.

Referring to the fact that 40% of the Company's workforce consisted of women employees, Ms. Kadiyala stated that the Tata Group is consciously working to bring the highly talented pool of women workforce back to where they belong through SCIP and mentioned that the benefit was bound to be multi-fold on Company's prospects. She referred to the Chairman's message of the existence of a strong co-relation between GDP and empowering women and mentioned that Companies which understand this will be biggest beneficiaries of India's growth story. She concluded by stating that she and her fellow members can relate to this as the core focus of her organisation has been empowerment of women. She stated that it would be a huge honour if Millennium Mams can jointly take this venture forward.

Several shareholders recalled the role played by Mr. R K Krishna Kumar, in his association with the Company over several years.

Dr Arun Kumar Bopanna stated that Mr. KK rose from a TAS Manager to a top position in Tata Sons and noting that he lays down office later this week after an illustrious career spanning 50 years in Tatas, he said:

"With his larger vision, Tata Tea grew to be an Indian MNC because he did not sit back, did not wait for plums to fall into his lap, saw opportunities, took risks boldly and succeeded in life. His passion was to go that extra mile, product + Tata brand + X factor to succeed.

Mr. KK, behind his serious and hard exterior lies a tender heart for human issues which is visible at the grass root level workers at Tea Estates. He has gone beyond his professional obligations and helped them. They swear by him and are ever grateful to him.

When people died 1000 deaths watching the terror attack on Taj 26/11, he did a lot to alleviate the pain to all those affected".

Dr. Bopanna also stated that Mr. R K Krishna Kumar's contribution in setting up the Tata Medical Centre was exemplary and the hospital was a great gift to the public of the city of joy. Finally he thanked Mrs. Krishna Kumar for her commitment in helping Mr. Krishna Kumar and fulfilling his unfinished agenda and said:

"Only strong ladies can love beyond all faults, cry behind doors and fight battles nobody knows about".

Mr. Manoj Gupta also thanked Mr. R.K. Krishna Kumar and said:

" I am a sentimental and emotional today. I have seen 3 Chairman and 5 Managing Directors. I have not found anyone like Mr. RKK. He has

changed an Indian company to a multinational company. Mr. RKK is going to retire on 18th July. He is the real architect of this company."

Mr. Gupta fondly recalled his visit to the Dare Project in Munnar and the hospital in Assam, institutions which Mr. RKK was passionately associated with. He hoped that Mr. RKK will continue to involve himself with social work after his retirement.

Mr. Gupta expressed a view that Mr. R K Krishna Kumar should be made as the Chairman Emeritus and expressed his happiness on the Annual General Meeting being convened before Mr. RKK's retirement.

Stating that Mr. R K Krishna Kumar was a loyal solder of Tata Tea for over 50 years, Mr. Jayesh Manek expressed his happiness at this Annual General Meeting having been convened prior to his retirement.

Ms. Abha Sule a shareholder and a member of Millennium Mams congratulated Mr. R K Krishnakumar for taking the company to great heights and stated that Mr. KK's contribution to the company and to the Tata empire was unparalleled. She, on behalf of the shareholders, saluted Mr. KK and wished him an even more dynamic innings after retirement.

As a small token of appreciation, Mr. Seema Jajodia, President of Millennium Mams presented an idol of Goddess Saraswati made of Shola. Ms Sule stated that the beautiful idol was made by an artist in Shantiniketan and it symbolized the culture of Bengal.

Mr. Tamal Kumar Majumder recalled the long association of Mr. R K Krishna kumar with Tata Tea and mentioned that he was mainly responsible *for "change of Tata Tea from a mere tea producing company to a global beverages company".*

He added that *"The company has crossed the boundaries of the nation and has established a global presence under his able leadership. He was the main lieutenant of your predecessor, Mr. Ratan N Tata at the time of takeover of Tetley, Eight 'o clock coffee, Good Earth and Mount Everest Mineral Water Ltd. He established growth mechanisms to play down individuals and play up the team that have transformed Tata Tea from being just a corporate entity to a societal institutions with a soul and the vision to create a life with greater potential. He is very focussed and personally involved in the human element of mergers and acquisitions. Hope his association with our company will continue even after retirement. "*

Mr. R K Krishna Kumar thanked the shareholders for the kind words and best wishes.

In addition to the appreciations made by the shareholders, Dr. Arun Kumar Boppana, Mr. Amitava Roy, Mr. B.N. Kundu, Mr. S N Pal, Ms. Abha Sule, Ms. Sunmbul Rahman, Mr. K L Mullick, Ms. Yutika Sanganeria, Ms. Sunanda Awasthi, Mr. Tamal Kumar Majumder, Mr. Arvind Basu, Mr. S. Gattani, Mr. Bhattacharya, Mr. M.C. Majumdar ,Mr. Bibhash Ghosh, Mr. T.P. Goel , Mr. Abhinandan Jain, Mr. S.L. Rathi ,Mr. Amartya Basu, Mr. Prabhir Mukherjee, Mr. Santosh Kumar Saraf, Mr. Sandeep Jain, Mr. Janardhan Kothari, Mr. Amit Kumar Banerjee, Mr. Krishnendu Das, Mr. A

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K Pal, and Mr. Manoj Kumar Gupta also made their comments and observations on the Accounts for the year ended 31.3.2013 and raised several questions on the Accounts and other matters as summarized below.

1. Does the Company have plans to set up an instant coffee plant in the coffee growing regions of Uganda and Vietnam?
2. What are the plans for an instant coffee plant in Europe – either as a Greenfield project or as a Joint Venture / buyout?
3. Can we see Tata Tea beverage outlets like Starbucks?
4. Please brief us on the performance of Tata Starbucks and what are the present and future plans for Tata Starbucks? When will Tata Starbucks break-even?
5. In the context of changing climatic conditions, what are the future plans for the Company's products and for tea gardens in general? Why cannot the Company mechanize operations in the tea gardens in India?
6. Why is the Company not looking at the Eastern part of the world, particularly, Japan for introducing its products?
7. Has the demerger of the tea estates into separate companies proved beneficial to the Company?
8. Given that the promoter holding is only at 35.20% in the Company, do the Promoters have any plans to increase their holdings?
9. What are the Company's plans to improve its net profit especially considering that the net profit is lower in 2012-13 as compared to the previous year?
10. Why is it that Mr. Analjit Singh, a director, has attended only two out of nine board meetings held during the year?
11. The dividend for 2012-13 is the same as the previous year. What is the future policy regarding dividend payout?
12. What is your view on the current economic conditions prevailing in the country? When will the currency fluctuation stabilize? Will the Company benefit from the rupee depreciation?
13. What is the Company's performance during the first quarter of 2013-14 and what are the projections for the full year?
14. How much has the Company contributed towards the Uttarakhand flood relief?
15. While the Company's advertisement expenditure has gone up from Rs. 153 crores to Rs. 163 crores, the Company's product visibility is low. Why is it so?
16. The Company's rural campaign appears to be inadequate. Recently while driving through the villages of Rajasthan, it was noticed that the walls of a number of houses carried the brand of a popular tea. Why has the Company not looked at such simple and cost effective form of advertising?

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17. It appears that the cost of advertisements incurred in rural India is low. Can we have an effective campaign targeting rural population? Can we see more visibility of the Company's brands through aggressive advertising campaigns?

18. The Company's consolidated advertisement spend is Rs 1239 crores. How much of this is towards brand building and how much is towards amount spent in maintaining existing brands?

19. At the last AGM, it was mentioned that the Company's product mix would grow to 60% tea, 30% coffee and 10% water but it is noticed that the present mix is 70% tea, 20% coffee and 10% plantation and others. Could you please tell us the progress made in this regard and what are the specific plans in achieving the changed product mix as this strategy is not explained anywhere in the annual report?

20. Given that the price of bulk tea is rising, what is the Company's mechanism to pass on the price increase to the consumers especially consumers abroad?

21. With regard to overseas operations, it is observed that apart from Australia, no other geography has done well? Is this due to the global economic slowdown in US, Europe etc and if so, what are the Company's plans for improving sales in the said regions?

22. Brand Tata Coffee is not very popular among a majority of the population. This trend needs to change. What are the Company's plans in catering to a large segment of the population with its premium products?

23. Considering that the Company is sitting on a huge pile of cash, what are the growth plans over the next five years? Do you have plans for mergers, acquisitions and new plants?

24. While the Company's turnover has gone up from Rs 2035 crores to Rs 2326 crores, the inventory has gone up by about Rs 200 crores, from Rs 453 crores to Rs 651 crores. A large part of this inventory is in the form of raw tea. Why is the inventory levels disproportionately high vis-à-vis the turnover? Further the Company's working capital has gone up from Rs 41 crores to Rs 108 crores. Is this increase related to increase in inventories?

25. While the standalone Company is debt free, there is a finance cost of Rs 32 crores. Can we assume that the interest charges will be nil during the current year?

26. What is the impact of fluctuation in various currency rates to the dollar with regard to purchase of bulk tea?

27. What is the impact of exchange rate movements on our profits for 2012-13 and for the first quarter of 2013-14?

28. How will the decline in black tea market in the UK impact the operations of the Company for the current year?

29. It is noticed that the Company is selling its investments in other Tata Group Company shares and is showing the profit as exceptional items. Various expenses are also netted off as exceptional items instead of showing them under normal expense heads. For example a sum of Rs 29.97 crores has been charged towards product development expenses over the last two years and Rs 23.62 crores

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is shown towards provision for retirement benefits. If this trend continues, the Company would be selling all its investments in a short period of time. What is your view on these?

30. With regard to the product development expenses of Rs 29.97 crores, please let us know what were the products that were developed?

31. The Company showed a massive net balance of Rs.3598.12 crores as on 31-03-2013 as translation exchange difference, which is 81.14% of total net assets as on 31-03-2013. Why is the management not taking step at least to provide for the increase in Goodwill on account of translation exchange difference fully during the said year? Is there any possibility of change of accounting policy in this regard?

32. It is noticed that the Company has increased its stake in Kanan Devan Hills Plantations Company Pvt. Ltd (KDHPL) by 10.59% and has taken up its holding to 28.52%. It may be noted that floating Kanan Devan in 2005 with employees as its shareholders was part of the company's broader strategy to reduce exposure in plantations and focus in creating global beverage brands. The increases in the Company's stake perhaps show apathy on the part of the employees to remain as shareholders of the Company. Why is the Company not taking appropriate steps to save this unique model by keeping in mind that it was created to make the model successful and not for profit alone? Similarly the Company holds 49.66% in APPL. What are your views on the Company's increasing stake in companies which have primarily been formed with a view to enable employees as shareholders?

33. Three of the Company's subsidiaries, namely the subsidiaries in Poland, Czech Republic and China JV have incurred losses. What is the current status of these companies? Will the Company provide for diminution in the value of investments held in these companies?

34. Despite the JV with PepsiCo and NourishCo handling sales of Himalayan, the increase in Himalayan is very marginal. MEMW has booked PBT of Rs 0.54 crore without considering advertising expenses in its books. MEMW has net accumulated losses of RS 76.86 crores as on 31.3.13. When will MEMW start making profits and be able to absorb the net accumulated losses?

35. To whom has MEMW given an ICD of Rs 23.50 crores and at what rate of interest?

36. From whom has MEMW received product development fees of Rs 4.60 crores?

37. What has been the impact on profits consequent to the relocation of some global functions from UK to India?

38. What is the total number of products that we are exporting and to which countries do we export? Why the number of countries in which the Group is present has has come down to 40 from 46?

39. What is the Group's position on Singur?

40. Why did the Company sell the shares held in TCS?

41. What is the current position of the income tax and sales tax disputes presented in page 96 of the annual report?

42. Why has the Company invested and sold shares in / of APPL during the year?
43. How will the Company benefit from the fresh investments made in KDHP?
44. In the presentation made by Mr. Harish Bhat, the PBT was shown as higher than last year where as it is actually lower? Why is this so?
45. Why is a there a brand known as Teapigs? Why did you devise such an unusual name? Will you be also coming out with brands like Teakangaroos, Teaparrots etc? What benefit do you get with such brand names?
46. Although the Registered office is in Kolkata, why is there not a single Tata Starbucks stores in Kolkata? When will we see a store in Kolkata?
47. How much of the increase in turnover is attributed to volume increase and how much to value increase?
48. What is the long term sustainability of the Himalayan acquifiers?
49. What is the sustainability of the environment due to replanting tea bushes?
50. As regards women empowerment, what proportion of Company's jobs is offered to women? What is topmost post offered to women?
51. Does the Company have any unsold tea? Do you have any left overs? Are these written off?
52. What is the listing fees paid to the Calcutta and Guwahati stock exchanges?
53. It is noted that the Company has sold its non core investments? What do you mean by non core investments?
54. Do we have plans to sell Tata Tea products through Tata Starbucks outlets?
55. Does the Company have any plans to merge MEMW with TGBL?
56. What are the details of the shareholdings by State and Central Government in the Company? Why are such details not given in the annual report?
57. Does the Company have plans for future investments in Darjeeling? Please make Darjeeling tea brand known worldwide.
58. Are there any plans to further increase the Company's stake in KDHP and APPL and make these companies as subsidiaries?
59. How much fees have you paid to Shah Rukh Khan?
60. How many states do we cover in our Gaon Chalo initiatives?
61. Is the Tetley Tea table book available in India?
62. Given that the energy costs are going up, have you done any energy audit?
63. What is the market share for Tata Tea in India?
64. Although the revenue is higher, why is the Stand alone profit lower in 2012-13 as compared with the previous year? Also compared with other FMCG companies, why is the Company's profitability low?

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65. While Tata Water Plus and Tata Gluco Plus are currently available only in Tamil Nadu and Andhra Pradesh, what is the time frame for making them available in other states of the Country?
66. What is the interest rate on the secured loans?
67. Of the Company's investments, what proportion is held in physical form?
68. Why are some short term loans and advances doubtful of recovery?
69. What are the fixed assets that have been sold at a loss?
70. Will you able to maintain the dividend in a situation when the profit will be lower?
71. What is the market share for MEMW products?
72. Does the Company has plans to introduce instant coffee machines in India?
73. What is the current status of the joint ventures in Pakistan and Bangladesh?

Apart from the questions mentioned above, the following observations/suggestions were also made by several shareholders:-

1. Given that the Company's Share Capital is Rs. 6183.99 lakhs and Reserves & Surplus is Rs. 2256 lakhs, it is high time the Company issue bonus shares? This is even more relevant considering that this is the Golden Jubilee year of the Company.
2. It is noticed that the Company is going in for flavoured and other kinds of tea. Our main focus should be in traditional teas.
3. It is observed that the Company's Board has only two women directors and steps must be taken to induct more women directors to at least ensure that women directors constitute 33% of the total Board strength. Similarly it is observed that there is not a single woman in the Executive Management team. Steps must be taken to have women representation in the Executive management team.
4. In some pages of the annual report, the font size used is very small and is not easily readable. For example the Fixed Assets schedule in page 108 is not readable.
5. It is heartening to note that the dividend declared in 2012-13 is good even though the net profit is lower.
6. Instead of focusing on community development in general, the Company should focus on the people suffering from various diseases as part of its corporate social responsibility initiatives.
7. The foreign exchange earned in 2012-13 is lower than the previous year. Please focus on this so that the same may be improved.
8. The Company should delist its shares from the Calcutta and Guwahati stock exchanges especially since there is no trading on these exchanges. The Company could save costs from the delisting.
9. Few of my well travelled friends are of the view that the taste of Tata Starbucks Coffee in India is not the same as is abroad.

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10. The list of income tax and sales tax disputes are increasing and some of these are very old. Please try reduce the number of disputed cases.
11. There are a lot of pollutants in the gardens and these pollutants go into human bodies which is very harmful. Please look in this matter.
12. The total outstanding is Rs 1200 crores. Please reduce this.
13. At the registered office of the Company the offices are in the second floor and no lift is provided making it very difficult and tiresome to access. Please arrange to provide for a lift.
14. While the employees' salaries are going up, the dividend to shareholders is maintained at the same level. Please take steps to increase the dividend.
15. On the occasion of the Golden Jubilee year, the Company must at least pay special dividend if not bonus shares.
16. The TGB group should extend its presence to West Indies and Jamaica.
17. Being a multinational company, we should focus on R&D. Currently tea is grown over a five year period. Through the Company's R&D efforts, this period must be brought down to two years.
18. Please set a time frame for the speakers at the AGM. Some of them are taking too much time.
19. While the Company has mentioned the risks and concerns impacting the business, there is no mention of the risk mitigation plans. In the interest of transparency the mitigation plans must be mentioned.
20. The Company should take steps to rate its corporate governance practices.
21. The Company should have marketing experts on the Board rather than finance and banking experts.

Mr. Bibhash Ghosh, a shareholder stated that as a farmer had great faith in the Tatas and expressed a view that the Tatas should focus their businesses towards sectors that generated employment and those that benefit the poor rural people. He also stated that although he has been hearing of repeated complaints from his farmer friends with regard to Tata Chemicals fertilizers, he himself personally always preferred the Tatas and had great faith in them.

A shareholder who wished to inspect the Register of Directors shareholdings was provided with the same which was duly inspected.

Chairman's replies to the questions asked/observations by the Shareholders

The Chairman thanked the members for their queries/observations and then proceeded to give his responses to the same:

With regard to the Company's presence in West Bengal, the Chairman stated that the Company /Group had never left West Bengal and mentioned that there is no intention to exit from the State.

As regards performance of Tata Starbucks, the Chairman mentioned that it would take a few more years for the said company to break even.

On the query relating to the Instant Coffee division, the Chairman stated that the Company currently had no such plans and that exports from the Indian units to Eastern Europe will be a focus area.

Responding to the query on protection of tea gardens from pests, the Chairman stated that new methods were being employed to protect the plantations from pests. He stated that there is a continuous focus on irrigation in the estates which helps improve health of the gardens.

Answering a query relating to demerger of estates, the Chairman mentioned that the demerger of the estates into separate companies has had a very positive impact on their operations and the model has been very successful.

As regards absence of Mr. Analjit Singh from most Board meetings, the Chairman informed the members that Mr. Singh actively contributes to the strategy and business discussions and has provided very useful insights, inside and outside of Board Meetings. Unfortunately due to his busy schedule, he was not able to be present at some board meetings over the past year.

With regard to the continued listing of the Company's shares on the Calcutta and Guwahati stock exchanges, the Chairman said that in view of a large operations carried on in the Eastern part of the country, the shares were listed on the said exchanges. He said the Board would review the continued listing and take such action as is appropriate.

In regard to the status of the economy, the Chairman stated that the Government was addressing the various issues. With regard to rupee depreciation, the Chairman mentioned that the impact on the Company's operations was not adverse as more than 60% of the consolidated operations come from outside India.

On the issue of contributions to the Uttarakhand flood relief work, the Chairman informed the members that the employees of the Company have donated a day's salary and the Company has made a matching contribution. Additionally he said that the Company was assessing the short and medium term strategy to help the relief operations and towards this, the Company has already sent Tata Agni tea immediately after the disaster, to help the relief work.

Responding to the observation on low visibility of the Company's products, the Chairman assured that the visibility will be improved going forward and stated that the Company was investing behind brands and are supporting them through strong marketing / promotional campaigns. He further added that distribution of products in the rural areas would also be improved.

As regards taste disparity in Starbucks stores in India vis-à-vis overseas stores, the Chairman stated that while many blends are similar, certain blends specifically preferred by Indian consumers were also made available in India.

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With regard to launch of products under the premium segment, Tata Global Beverages has a brand in the UK called Teapigs which is growing rapidly. This is in the super premium brand category. Brands like Tata Tea Gold and Tetley in India will be strengthened.

In regard to the increase in inventories, the Chairman stated that the higher inventories at the end of the year were due to higher unit cost, higher volume expectations in future and higher sales volume as also due to increase in working capital.

With regard to plans to increase sales / visibility of Tata coffee and Tata Water Plus, the same was being looked into and the Company is aiming at increasing its water portfolio.

Responding to the query on the mechanism of passing on commodity cost increases, the Chairman mentioned that the Company will be fair to the consumers even as it strives to protect its margins. In addition to pricing, cost reduction strategies will also be used to improve profitability.

With regard to plans for improving sales in developed economies, the Chairman stated that the Company was investing in brands, new product innovations and constantly launching new brands besides exploring opportunities in new markets.

Pointing out that many shareholders questioned about the Company's stake in KDHP and APPL, the Chairman clarified that the idea was to facilitate exit of small shareholders and employees who had left the said plantation companies. The Company only maintains a strategic stake in these plantation companies, and there is no change in the strategy which has already been articulated.

With regard to the queries on MEMW and Himalayan brand, the members were informed of the significant potential in the brand and stated that Himalayan has won several new accounts in India besides making its first global foray through Starbucks at Singapore.

As regards goodwill and provision for exchange fluctuations, it was informed that since the company's business is in the branded arena and has grown through acquisitions, a significant part of the fixed assets is in the form of goodwill. The impact on account of exchange fluctuations is reviewed periodically.

With regard to sales of shares held in Tata Group companies the Chairman clarified that they were not strategic and could from time to time would be divested. The shares held in TCS was a small non core holding and the same was sold to move away and retain only core investments.

As regards product development expenses, the Chairman stated that the expenses incurred towards development and launch of Tata Water Plus. Also certain other water products in the Ayurvedic range is being developed which will be launched in the current or next year.

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With regard to declining black tea market in UK, the Group's strategy is to invest in its Tetley brand and also introduce premium variants of this brand.

On the point relating to women's participation in the business, the Chairman stated that the Company will endeavor to increase women's participation at various levels in the business.

As regards introduction of Darjeeling teas, it was informed that the Company does not presently have a major presence of Darjeeling teas in its portfolio. However this variety of tea is used in brands like Tata Tea Gold, and there are also minor Darjeeling variants offered by our brands.

In regard to the losses of certain businesses, the Chairman mentioned that the same was due to losses in the operations in Eastern Europe and South Asia e.g. Poland, Czech Republic, Pakistan, Bangladesh. The company will make efforts to improve its performance of these businesses. As regards the China JV, Zhejiang Tea, the losses are due to the venture being a start-up company which is yet to stabilize. We hope to turnaround the China JV operations during the current year.

With respect of placement of Inter Corporate deposits, the Chairman stated that the ICDs were deployed as part of Treasury Management. These are temporarily deployed in other Tata Group Companies at market rates of interest and the yields are better than bank deposits.

Responding to the query from Mr. S Gattani on reduction and fresh investment in APPL in the same financial year, the Chairman mentioned that the reduction was due to redemption of debentures held in APPL whereas the fresh investment related to an earlier undrawn commitment which was subscribed. As regards discrepancy in the PBT figures in the presentation and the Accounts, the Chairman stated that there was no discrepancy and the numbers presented were correct.

As regards brand Teapigs, acknowledging that the question was good, the Chairman stated that the brand was doing very well and will be continued with.

With regard to the Income tax and sales tax cases, the Chairman stated that the Company is constantly pursuing the matters and will do whatever is required to expedite the closure of the same.

On the query regarding launching of Tata Starbucks store in Kolkata, the Chairman mentioned that the Company was pursuing a cluster strategy in the existing cities of Mumbai and Delhi. Roll out in other States will take place over time though it is now not possible to give the precise time frame for such rollout.

With regard to the dispute relating to entry tax in MP, the Chairman mentioned that same was under litigation.

On the query relating to sales increases, it was informed that while volume increases contributed to the extent of 6%, the rest of the increase was due to price increases.

Regarding profitability being low compared to other FMGC companies, the Chairman stated that the 10% growth was commendable especially considering that the Company is making large investments in start-ups e.g. NourishCo and Starbucks, which is expected to yield profits in future. The Company will continue to make further efforts to increase the profits even higher.

On the query relating to EBIT growth being 26% and PBT only at 11%, the Chairman clarified that EBIT reflected growth in operational performance where as PBT was lower at 11% due to high level of exceptional income in the previous year.

Regarding Himalayan Acquifier, the members were informed that the Acquifier was a large moving acquifier in the Shivalik Range in Himachal Pradesh and that there was no foreseeable constraint on volumes.

On the query from a member whether there were left over teas or those that remain unsold, the Chairman stated that the Company produces as per market forecasts and as per requirements.

As regards the difficulties experienced at our Kolkata office and in particular relating to non availably of a lift, the Chairman stated that the Company would look into the matter.

As regards the query on what comprises non core investments, the Chairman mentioned that the same were investments in companies/businesses outside of tea, coffee and water businesses.

On the point of there being no women in the executive management team, the Chairman stated that this was a process and we could see more women in the executive management based on merit.

Observing that several shareholders had raised the issue of bonus shares and special dividend, the Chairman stated that the company needs to invest in growth of brands and its innovation agenda. The Company is aiming to balance the dividend pay out with growth in business. Hence the priority was to channelize the resources towards our growth plans.

Concurring with Mr. Janardhan Kothari's view of Himalayan having a huge potential, the Chairman mentioned that the management has recently received institutional orders which was very encouraging. With regard to the turnover of Himalayan increasing from Rs 20 crore to Rs 200 crore, the Chairman stated that the Company is working towards improving upon the current growth rate of about 20%. We hope to accelerate the growth even further.

With regard to loans and borrowings, the Chairman stated that such borrowings were made in India mainly towards working capital requirements for financing inventories and receivables.

As regards the fees paid to Shah Rukh Khan for the Jaago Re campaign, the Chairman stated that the said information was confidential and hence could not be shared.

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With regard to coverage of the Gaon Chalo initiatives, it was mentioned that the plan was to extent the program to about 4,50,000 rural outlets over the next five years.

Responding to Mr. A K Pal's query on the availability of the 175 years Tetley Tea table book, the Chairman stated that the book was launched in UK and was not available in India.

Responding to a query on the Company's market share, the Chairman mentioned that the Company had a 22% value share in India.

As regards mentioning of risk mitigation plans, the Chairman acknowledged that it was essential and stated that it would be considered in future.

On the query relating to lower profits in 2012-13, the Chairman mentioned that the profits were lower in 2012-13 due to a large exceptional income from sale of non core investments in the previous year.

With regard to details of the shareholdings by the Central and State Governments, the Chairman stated that the same was available with the Company Secretary and could be had from him.

On investment in Darjeeling, the Chairman stated that the Company has currently no intention to invest in Darjeeling plantations.

As regards cost incurred in respect of listing of the shares in Calcutta and Guwahati stock exchanges, the Chairman stated that a sum of Rs 1.47 lakhs per annum was incurred towards listing fees.

With regard to reduction in finance costs, the Chairman stated that there would be some finance costs as the Company was investing behind its brands and in its innovation agenda.

In response to the query on loss on sale of fixed assets, the Chairman mentioned that the assets sold were old and discarded IT assets.

With regard to the location of the Registered Office, the Chairman replied that there is no intention to shift the Registered Office out of Kolkata.

With regard to the status of the joint ventures in Pakistan and Bangladesh, the Chairman mentioned that the two ventures continue to make losses and the Company is putting strategies in place to turn them profitable.

With regard to sale of teas in Starbucks outlets, the Chairman stated that Tata Tazo teas were being sold in Starbucks stores in India.

With regard to observations made on the Singur land matter, the Chairman stated that as the matter is subjudice, he would refrain from making any comments.

Resolution No. 1

Thereafter, the Chairman put the resolution on Adoption of Accounts and Report of the Directors and Auditors thereon to vote by show of hands and declared it **carried with the requisite majority.**

Mr. S Gattani voted against this resolution.

Resolution No. 2

Declaration of Dividend for 2012-13

The following resolution proposed by Mr. B.N. Kundu as an ordinary resolution and seconded by Mr. S L Rathi was put to vote on a show of hands and the Chairman declared it as **carried with the requisite majority:**

Mr. S Gattani voted against this resolution.

"**RESOLVED** that a dividend at the rate of Rs. 2.15 per share amounting in the aggregate to Rs. 153.65 Crores (inclusive of dividend distribution tax) in respect of the financial year 2012-13 on the present paid-up equity share capital of the Company be declared and paid to those members of the Company whose names appear on the Register of Members as on 1st July 2013 and to the beneficial owners of the equity shares of the Company held in dematerialized form as on beginning of 1st July 2013 as per list provided by the Depositories."

Resolution No. 3

Reappointment of Mr. F K Kavarana

The following resolution proposed by Mr. K L Mullick as an Ordinary Resolution and seconded by Mr. A. Basu was put to vote on show of hands and the Chairman declared it as **carried with the requisite majority:**

Mr. S Gattani voted against this resolution.

"**RESOLVED** that Mr. F K Kavarana be and he is hereby reappointed a Director of the Company who will be liable to retire by the normal process of retirement of Directors by rotation."

Resolution No. 4

Reappointment of Mrs. Ranjana Kumar

The following resolution proposed by Mr. B N Kundu as an Ordinary Resolution and seconded by Mr. S K Saraf was put to vote on show of hands and the Chairman declared it as **carried with the requisite majority:**

Mr. S Gattani voted against this resolution.

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"**RESOLVED** that Mrs. Ranjana Kumar be and she is hereby reappointed a Director of the Company who will be liable to retire by the normal process of retirement of Directors by rotation."

Resolution No. 5

Reappointment of Mrs. Mallika Srinivasan

The following resolution proposed by Mr. Manoj Kumar Gupta as an Ordinary Resolution and seconded by Mr. M S Dey was put to vote on show of hands and the Chairman declared it as **carried with the requisite majority:**

Mr. S Gattani voted against this resolution.

"**RESOLVED** that Mrs. Mallika Srinivasan be and she is hereby reappointed a Director of the Company who will be liable to retire by the normal process of retirement of Directors by rotation."

Resolution No. 6

Re-appointment of Auditors in place of retiring Auditors

The following resolution proposed by Mr. A K Pal as an Ordinary Resolution and seconded by Mr. Krishnendu Das was put to vote on a show of hands and the Chairman declared it **as carried by requisite majority :**

Mr. S Gattani voted against this resolution.

"RESOLVED that Messrs Lovelock & Lewes (Firm Registration No. 301056E), the retiring Auditors of the Company, be and they are hereby reappointed as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration plus reimbursement of service tax, out-of-pocket, travelling and other expenses in connection with the audit as may be agreed between the Board of Directors of the Company (including any Committee of the Board) and the Auditors."

Resolution No. 7

Appointment of Mr. L Krishnakumar as a Director of the Company

The following resolution proposed by Jayesh Manek as an Ordinary Resolution and seconded by Mr. Manoj Kumar Gupta was put to vote on

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show of hands and the Chairman declared it as **carried with the requisite majority:**

Mr. S Gattani voted against this resolution.

"**RESOLVED** that Mr. L Krishnakumar, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 1st April 2013, and who holds office up to the date of the forthcoming Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and he is hereby appointed a Director of the Company."

Resolution No. 8

Appointment of Mr. S Santhanakrishnan as a Director of the Company

The following resolution proposed by Mr. K L Mullick as an Ordinary Resolution and seconded by Mr. A. Basu was put to vote on show of hands and the Chairman declared it as **carried with the requisite majority:**

Mr. S Gattani voted against this resolution.

"**RESOLVED** that Mr. S Santhanakrishnan, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 28th May 2013, and who holds office up to the date of the forthcoming Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and he is hereby appointed a Director of the Company."

Resolution No. 9

Appointment and remuneration of Mr. L. Krishnakumar as Wholetime Executive Director of the Company

The following resolution proposed by Mr. Jayesh Manek as an Ordinary Resolution and seconded by Mr. M S Dey was put to vote on show of hands and the Chairman declared it as **carried with the requisite majority:**

Mr. S Gattani voted against this resolution.

"RESOLVED that subject to the approval of Central Government and pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, ("the Act") as amended or re-enacted from time to time, read with Schedule XIII to the Act, the Company hereby approves the appointment and terms of remuneration of Mr. L Krishnakumar as the Executive Director of the Company for a period of five years with effect from 1st April 2013 upon

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the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with liberty to the Board of Directors to finalize such terms and conditions of the said appointment and also alter and vary the same from time to time, in such manner as may be agreed to between the Board of Directors and Mr. L Krishnakumar."

"RESOLVED FURTHER that the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Resolution No. 10

Revision in terms of remuneration of Mr. Harish Bhat, Managing Director

The following resolution proposed by Mr. B N Kundu as an Ordinary Resolution and seconded by Mr. Manoj Kumar Gupta was put to vote on show of hands and the Chairman declared it as **carried with the requisite majority**:

Mr. S Gattani voted against this resolution.

"RESOLVED that in partial modification of Resolution No. 13 passed at the Annual General Meeting of the Company held on 31st August 2012, for the appointment and terms of remuneration of Mr. Harish Bhat, Managing Director of the Company and pursuant to the provisions of Sections 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 (" the Act"), as amended or re-enacted from time to time, read with Schedule XIII of the Act, the Company hereby approves the revision in the terms of remuneration of Mr. Harish Bhat, Managing Director of the Company, with authority to the Board of Directors to determine the remuneration, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment),in such manner as they deem fit, with effect from 1st April 2013, for the remainder of the tenure of his appointment, i.e. upto 30th June 2017 as set out in the explanatory statement annexed to the Notice convening this meeting."

"RESOLVED FURTHER that the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Resolution No. 11

Revision in the terms of remuneration of Mr. Ajoy Misra, Wholetime Executive Director

The following resolution proposed by Dr. Arun Kumar Bopanna as an Ordinary Resolution and seconded by Mr. S. Banarjee was put to vote on

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show of hands and the Chairman declared it as **carried with the requisite majority:**

Mr. S Gattani voted against this resolution.

"RESOLVED that in partial modification of Resolution No. 10 passed at the Annual General Meeting of the Company held on 31st August 2012, for the appointment and terms of remuneration of Mr. Ajoy Misra, Executive Director of the Company and pursuant to the provisions of Sections 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 (" the Act"), as amended or re-enacted from time to time, read with Schedule XIII of the Act, the Company hereby approves the revision in the terms of remuneration of Mr. Ajoy Misra, Executive Director of the Company, with authority to the Board of Directors to determine the remuneration, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment),in such manner as they deem ft, with effect from 1st November 2012, for the remainder of the tenure of his appointment, i.e. upto 30th November 2016 as set out in the explanatory statement annexed to the Notice convening this meeting."
"RESOLVED FURTHER that the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

The Chairman thanked the Members for their presence and their co-operation in conducting the meeting.

Vote of Thanks

The meeting then ended with a Vote of thanks to the Chairman by Mr. Manoj Kumar Gupta.

CHAIRMAN

12.8.2013

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