



TATA COFFEE



**Annual General Meeting on
Tuesday, the 31st July, 2007
at the Registered Office
at 11.00 A.M.**

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TATA COFFEE LIMITED**COMPANY INFORMATION****Board of Directors**

R.K. Krishna Kumar (*Chairman*)

Y.H. Malegam

D.M. Dasappa

R. Govindarajan

P.T. Siganporia

U.M. Rao

Prof. A. Monappa

Ms. Sangeeta Talwar (with effect from 27.10.2006)

M.H. Ashraff (*Managing Director*)

Hameed Huq

Executive Director (Plantations)

Arunava Sengupta

Executive Director (Instant Coffee Operations)

Registered Office

Pollibetta - 571 215

Kodagu, Karnataka State

Corporate Office

No. 57, Railway Parallel Road,

Kumara Park (W), Bangalore - 560 020

Tel : (080) 23560695 Fax : (080) 23341843

E-mail : investors@tatacoffee.com

Website : www.tatacoffee.com

Registrars

TSR Darashaw Ltd.

6-10, Haji Mosa Patrawala Ind. Estate,

20, Dr. E. Moses Road,

Mahalaxmi, Mumbai - 400 011

Tel : 022-6656 8484 Fax : 022-6656 8496

E-mail : csg-unit@tsrdarashaw.com

Website : www.tsrdarashaw.com

Auditors

N.M. Raiji & Co.

SNB Associates

Bankers

Corporation Bank

Indian Overseas Bank

Standard Chartered Bank

Hongkong and Shanghai Banking

Corporation Ltd.

ICICI Bank Ltd.

Debenture Trustees**Rights Issue of Partly Convertible Debentures**

The Western India Trustee & Executor Company Ltd. (WITCO)

161/C, Mittal Court, Nariman Point, Mumbai 400 021.

Private Placement of Non-Convertible Debentures

UTI Bank,

Central Office, 131, Maker Towers 'F',

Cuffe Parade, Colaba,

Mumbai 400 005.

Board Committees**Audit Committee**

Y.H. Malegam - Chairman

R. Govindarajan

Prof A. Monappa

Shareholders/Investors Grievance Committee

R.K. Krishna Kumar - Chairman

M.H. Ashraff

R. Govindarajan

Remuneration Committee

Y.H. Malegam - Chairman

R.K. Krishna Kumar

R. Govindarajan

Prof. A. Monappa

NOTICE

NOTICE is hereby given that the 64th Annual General Meeting of the Company will be held at the Registered Office of the Company at Pollibetta, Kodagu, on Tuesday the 31st July 2007, at 11.00 AM to transact the following business:-

1. To receive and adopt the audited Profit and Loss Account for the year ended 31st March 2007 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. R.Govindarajan who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. Y.H.Malegam who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Mr. P.T.Siganporia who retires by rotation and is eligible for re-appointment.
6. To appoint Auditors and fix their remuneration.

To consider and if thought fit to pass with or without modification, the following Resolutions:

7. As an Ordinary Resolution:

RESOLVED that Ms. Sangeeta Talwar be and is hereby appointed as Director of the Company liable to retire by rotation.

8. As an Ordinary Resolution:

RESOLVED that pursuant to the provisions of Sections 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956 (the Act) read with the provisions of Schedule XIII to the Act including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the Company is hereby accorded to the re-appointment of and remuneration payable to Mr.M.H.Ashraff as Managing Director of the Company for the period commencing 1st April 2007 to 2nd January 2010 on the terms and conditions (including the remuneration to be paid in the event of absence or inadequacy of profits in any financial year) as set out in the Explanatory Statement annexed to the Notice convening this meeting with liberty to the Board of Directors of the Company (the Board) to alter and vary the terms and conditions of the said appointment in such manner and to such extent as may be agreed to by the Board and Mr.Ashraff.

By Order of the Board,

M.K.C.Pai
Company Secretary

Bangalore
29th May, 2007

NOTES:

1. The Register of Members of the Company will remain closed from 17th July, 2007 to 31st July, 2007, both days inclusive.
2. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his/her stead and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the Meeting.**
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the items of Special Business is annexed hereto.
4. Dividend, if declared at the Annual General Meeting will be paid within 30 days thereof to those members whose names appear on the Register of Members of the Company after giving effect to the valid transfers in respect of the shares lodged with the Company on or before the close of business hours on 16th July 2007 or to their mandatees. The dividend in respect of shares held in electronic form would be payable to the beneficial owners of shares recorded with the Depositories as of the end of 16th July, 2007 as per details furnished by the Depositories for the purpose.
5. All unclaimed/unpaid dividends upto the financial year ended 31st March 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not en-cashed the warrants in respect of dividend upto the aforesaid financial year are requested to claim their dividend from the Registrar of Companies, 2nd Floor, "E" Wing, Kendriya Sadan, Koramangala, Bangalore, Karnataka by making an application in the prescribed Form.

Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, the unclaimed/unpaid dividend for the Financial years ended 31st March, 1996 to 31st March, 1999 have been transferred to the Investor Education and Protection Fund of the Central Government ("the Fund"). The balance lying in the unpaid dividend account for the year ended 31st March, 2000 is in the process of being transferred to the Fund.

Shareholders are requested to note that the Company is statutorily required to transfer to the Fund all dividends which were/are unpaid/unclaimed for a period of seven years from the date they became due for payment. Shareholders who have not yet encashed their warrants in respect of Dividend for the years subsequent to 31st March 2000 are requested to do so sufficiently in advance before the said transfers take place.

6. Securities and Exchange Board of India (SEBI) vide their Circular dated October 15, 2001, has made it mandatory for all Companies to use the bank account details furnished by the shareholders for distributing dividend through Electronic Clearing Service (ECS) wherever ECS and Bank Details are available. In the event of ECS facility not being available for any reason, Companies are required to print the bank account details on the payment instrument for distribution of dividend to the investors. Shareholders holding shares in physical form are requested to notify their bank details giving the name of the bank, the branch, the account number and type and also any change of address to the Company's Registrar and Share Transfer Agent, M/s TSR Darashaw Ltd. (formerly Tata Share Registry Ltd.). In case the holdings are in electronic form, the said details should be conveyed to their Depository Participant. Shareholders who wish to avail the ECS facility offered by the Company should in addition to the aforesaid bank details also furnish their Bank Branch Code to the Registrar's / Depository Participant. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrar and Transfer Agent.

The bank particulars of the Shareholders recorded with the Depository Participant as of the book closure date, the data of which will be received through Depositories will be used by the Company for printing on the dividend warrants. This would ensure that the dividend warrants cannot be deposited in any account other than the one specified on the warrants. For safety and in the interest of the shareholders, it is important that bank account details are correctly provided to the Depository Participants. The bank details (mandate) for shares held in physical form will not be applicable/applied for shares held in electronic form and vice versa.

**Details of Directors seeking appointment/re-appointment/retiring by rotation
(In pursuance of Clause 49 of the Listing Agreement)**

Name of Director	R.Govindarajan	P.T.Siganporia	Y.H.Malegam	Sangeeta Talwar	M.H.Ashraff
Date of Birth	13.04.1936	25.02.1951	24.09.1933	05.05.1956	02.01.1945
Date of Appointment	07.02.1994	20.10.2004	22.08.1969	27.10.2006	08.08.2000
Qualifications	B.E, F.I.E, F.I.V, F.I.C.A, M.I.C.C, M.Phil	B.Sc., PGDBM	Chartered Accountant	B.A. (Eco), MBA	B.Sc
Expertise in specific functional area	Chartered Engineer, Valuer & Arbitrator, Former Executive Director of LIC	Marketing/Sales and General business management	Finance & Accounts	Ms.Talwar has worked for over 20 years with Nestle India Ltd. in Sales/ Marketing functions rising to the position of Executive Vice President. She was the CEO of Mattle Toys India Ltd. She has over 20 years experience in Sales/ Marketing functions of FMCG items	Plantations – Former Executive Director of Tata Tea Ltd, Former President – UPASI
Chairman/Director of other Companies	Nil	1. Tata Tea (GB) Ltd., UK - Director 2. Watawala Plantations Ltd. Srilanka - Director 3. Estate Management Services (Pvt.) Ltd., Srilanka-Director 4. Tata Tea Limited - Managing Director 5. Tata Tea Inc., USA- Director 6. Woodlands Hospital and Medical Research Centre Ltd.- Director 7. Eight O' Clock Coffee Company, USA Director 8. Consolidated Coffee Inc., USA - Director 9. Amalgamated Plantations Pvt. Ltd. Director	As detailed below	1. Tata Tea Ltd.- Executive Director; 2. Consolidated Coffee Inc. USA – Director 3. Eight O' Clock Coffee Company, USA - Director	1. Alliance Coffee Ltd. Director 2. Consolidated Coffee Inc., USA-Chairman 3. Eight O' clock Coffee Company, USA - Chairman 4. Tata Coffee (Uganda) Ltd. - Director
Chairman/Member of Committees* of the Boards of which he is a Director	Nil	Nil	As detailed below	Nil	Nil
No. of Shares held in the Company	1,000	-	700	-	-

* Includes Audit, Remuneration and Shareholders/Investors Grievance Committees only of other companies.

Directorships in Companies & Memberships in Committees of Mr.Y.H.Malegam

Sl. No.	Name of the Company	Membership in Committees	
		Name of the Committee	Position held
1.	ABC Bearings Limited	-	-
2.	Bharatiya Reserve Bank of India – Note Mudran (P) Ltd.	Audit	Chairman
3.	Cabot India Ltd.	Audit	Member
4.	The Clearing Corporation of India Ltd.	-	-
5.	FirstSource Solutions Ltd.	Audit	Chairman
6.	Hindustan Construction Co. Ltd.	-	-
7.	Nicholas Piramal India Ltd.	Audit	Member
8.	National Stock Exchange of India Ltd.	Audit	Member
9.	National Securities Clearing Corporation Ltd.	-	-
10.	Siemens Ltd.	Audit/Remuneration	Chairman/Member
11.	Tata Tea Ltd.	Audit	Chairman

EXPLANATORY STATEMENT**Pursuant to Section 173(2) of the Companies Act, 1956.****Item No. 7**

Ms. Sangeeta Talwar was appointed as Additional Director of the Company by the Board with effect from 27th October, 2006. In terms of Section 260 of the Companies Act, 1956, Ms. Talwar holds office till the date of the ensuing Annual General Meeting and is eligible for reappointment. Notice under Section 257 of the Companies Act, 1956 along with the requisite deposit has been received from a member signifying his intention to propose the candidature of Ms. Talwar as a Director retiring by rotation.

Ms. Talwar is interested in the resolution pertaining to her appointment as set out in Item No 7 of the accompanying notice. No other Director is interested in the resolution.

Item No. 8

The Board of Directors of the Company ("the Board") at its meeting held on 27th March, 2007 re-appointed Mr. M. H. Ashraff as Managing Director for the period commencing 1st April 2007 and ending on 2nd January 2010 and approved the terms and conditions of his appointment including remuneration at its meeting held on 29th May, 2007 based upon the recommendation of the Remuneration Committee.

Following are the main terms and conditions of the re-appointment of Mr. Ashraff

1. Subject to the supervision and control of the Board, Mr. Ashraff will be responsible for day-to-day management and operations of the Company and shall carry out such duties and exercise such powers as may be entrusted to him from time to time by the Board.
2. Period of appointment:
1st April, 2007 to 2nd January 2010.
3. **I. Remuneration**
 - (a) Salary
Within the scale of Rs2,50,000/- to 3,40,000/- p.m with annual increments effective 1st April every year, as may be decided by the Board, based on merit and taking into account the Company's performance.
 - (b) Incentive Remuneration
Upto 150% of annual salary to be paid at the discretion of the Board annually based on certain performance criteria.
 - (c) Commission
Such remuneration by way of Commission, in addition to the salary, perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of each financial year, subject to the overall ceilings stipulated in Sections 198 and 309 of the Companies Act, 1956 (the Act). The specific amount payable will be based on performance as evaluated by the Board or a Committee thereof duly authorised in this behalf and will be payable annually after the Annual Accounts of the Company have been approved by the Board.
 - (d) Benefits, Perquisites & Allowances
 - (i) In addition to the salary, incentive remuneration, if any, and commission payable, Mr. Ashraff shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent and maintenance allowances, in lieu thereof; together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs, servants' salaries; medical reimbursement; club fees and leave travel concession/allowance for himself and his family; medical/accident insurance and such other perquisites and allowances in accordance

with the rules of the Company or as may be agreed to by the Board of Directors and Mr.Ashraff; such perquisites and allowances will be subject to such overall ceiling as may be fixed by the Board of Directors from time to time.

- (ii) Company maintained car with driver for official and personal use
- (iii) Telecommunication facilities at residence.
- (iv) Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity as per the rules of the Company
- (v) Leave and encashment of unavailed leave as per the rules of the Company.

II. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr.Ashraff, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, benefits, perquisites and allowances and incentive remuneration as specified above.

The aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Sections 198, 309 and all other applicable provisions, if any, of the Act read with Schedule XIII of the Act as amended from time to time.

4. The Managing Director is appointed by virtue of his employment in the Company and his appointment is subject to the provisions of Sections 283 (1)(I) of the Act.
5. If at any time Mr.Ashraff ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director of the Company.
6. If at any time Mr.Ashraff ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director of the Company.

Your Directors recommend the resolution as set out in item No.8 of the Notice convening the Meeting.

None of the Directors of the Company other than Mr.Ashraff, is in anyway concerned or interested in the resolution.

This may be treated as an abstract of the terms of re-appointment of Mr. Ashraff as Managing Director in terms of Section 302 of the Act.

By Order of the Board,

M.K.C.Pai
Company Secretary

Bangalore
29th May, 2007

TATA COFFEE

Sixty-fourth annual report 2006-2007

TATA COFFEE LIMITED

2002-2003 TO 2006-2007 A FIVE YEAR REVIEW

INCOME & DIVIDEND ETC		2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Sales Value of Coffee and						
Estate Products and Gross Income						
From Services rendered	(Rs in Lakhs)	16823.33	18522.24	20121.32	19122.77	26849.65
Profit Before Tax	(Rs in Lakhs)	2026.24	2199.10	3111.83	2634.50	2774.77
As percentage of Sales		12	12	15	14	10
Profit After Tax	(Rs in Lakhs)	2019.89	1710.36	2870.23	2232.06	2023.06
As percentage of Sales		12	9	14	12	8
As percentage of Networth		14	11	16	12	6
(Shareholders Funds)						
Expenses as percentage of Income		88	88	89	94	91
Current Assets/Current Liabilities		2.2:1	3.6:1	3.2:1	4.04:1	3.2:1
Debt/Equity Ratio		0.38:1	0.51:1	0.32:1	0.74:1	0.54:1
Fixed Assets/Net Worth (as percentage)		69	62	54	1.08	68
Net Profit per Equity Share	(Rs.)	16.20	13.72	23.02	17.90	16.23
Dividend distributed	(Rs.)	5	5	6.5	6.5	6.5

Assets & Liabilities	(Rs in Lakhs)					
Net Fixed Assets		9954.25	9527.61	9349.65	18902.80	23945.47
Stocks		5695.46	6561.51	5896.80	8947.89	7508.46
Debtors,Loans & Advances		2636.41	4820.12	9807.88	7476.06	8601.07
Other Assets		171.33	854.52	440.67	709.84	1965.44
Sundry Liabilities		3780.26	3391.13	4902.91	4234.72	7186.86
Net Current Assets		4722.94	8845.02	11242.44	12899.07	10888.11
Deferred Revenue Expenditure		421.95	315.76	272.57	154.14	50.48
Investments in Shares & Securities.		5102.43	4982.05	2293.65	1077.11	18705.22
Total Assets		20201.57	23670.44	23158.31	33033.12	53589.28

Represented by	(Rs in Lakhs)					
Share Capital		1246.87	1246.87	1246.87	1246.87	1867.70
Reserves		13121.05	14129.81	16074.31	17351.03	32069.29
Shareholders'interest (Net Worth)		14367.92	15376.68	17321.18	18597.90	33936.99
Loans		5450.17	7841.59	5603.36	13890.62	19212.50
Deferred Tax Liability (Net)		383.48	452.17	233.77	544.60	439.79
Total		20201.57	23670.44	23158.31	33033.12	53589.28

PRODUCTION (IN TONNES)

YEAR	COFFEE ARABICA	COFFEE ROBUSTA	TOTAL	TEA	PEPPER	CARDAMOM	COFFEE CURED	INSTANT COFFEE
1997/1998	1533	4297	5830	748	752	10.76	17305	—
1998/1999	2011	6068	8079	778	670	9.40	16437	—
1999/2000	2992	5455	8447	1066	1058	9.06	19656	2963
2000/2001	2885	6370	9255	990	929	8.34	18167	4771
2001/2002	2595	5790	8385	1072	1196	6.62	16223	4507
2002/2003	3044	6813	9857	1114	856	4.43	13027	3590
2003/2004	2338	5539	7877	1048	1150	7.10	14548	5368
2004/2005	2680	4944	7624	1119	1328	10.98	13241	3341
2005/2006	2110	6434	8544	2699	981	14.23	11105	4236
2006/2007	2014	5503	7517	6936	861	44.49	11870	3628

Note - (1) Data for 1997/98 and 1998/99 are prior to Merger of erstwhile Coffee Lands Ltd., Asian Coffee Ltd., Veerarajendra Estates Ltd. and Charagni Limited, with the Company.

(2) The crop figures for the year 2005/06 and 2006/07 include crop of Anamallai Group Estates which were acquired by the Company during the year 2005/06.

ACREAGE STATEMENT - 5 YEARS

	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	
	Acres				Acres	Hectares
COFFEE *						
Arabica	6382	6358	6477	7786	7786	3152
Robusta	10281	10310	10271	10582	10523	4260
Mixed Coffee				86	86	35
	16663	16668	16748	18454	18395	7447
TEA	897	897	897	6089	6089	2465
OTHER CROPS						
Cardamom	267	274	254	533	533	216
Paddy	123	124	123	123	123	50
Pure Pepper/Areca	207	210	210	294	351	142
TOTAL CULTIVATED AREA:	18157	18173	18232	25493	25491	10320

* Orange, Cardamom & Pepper interplanted in Coffee

Note : Year 2005/06 and 2006/07 includes the area of Anamallai Group Estates which was acquired by the Company in 2005/06.