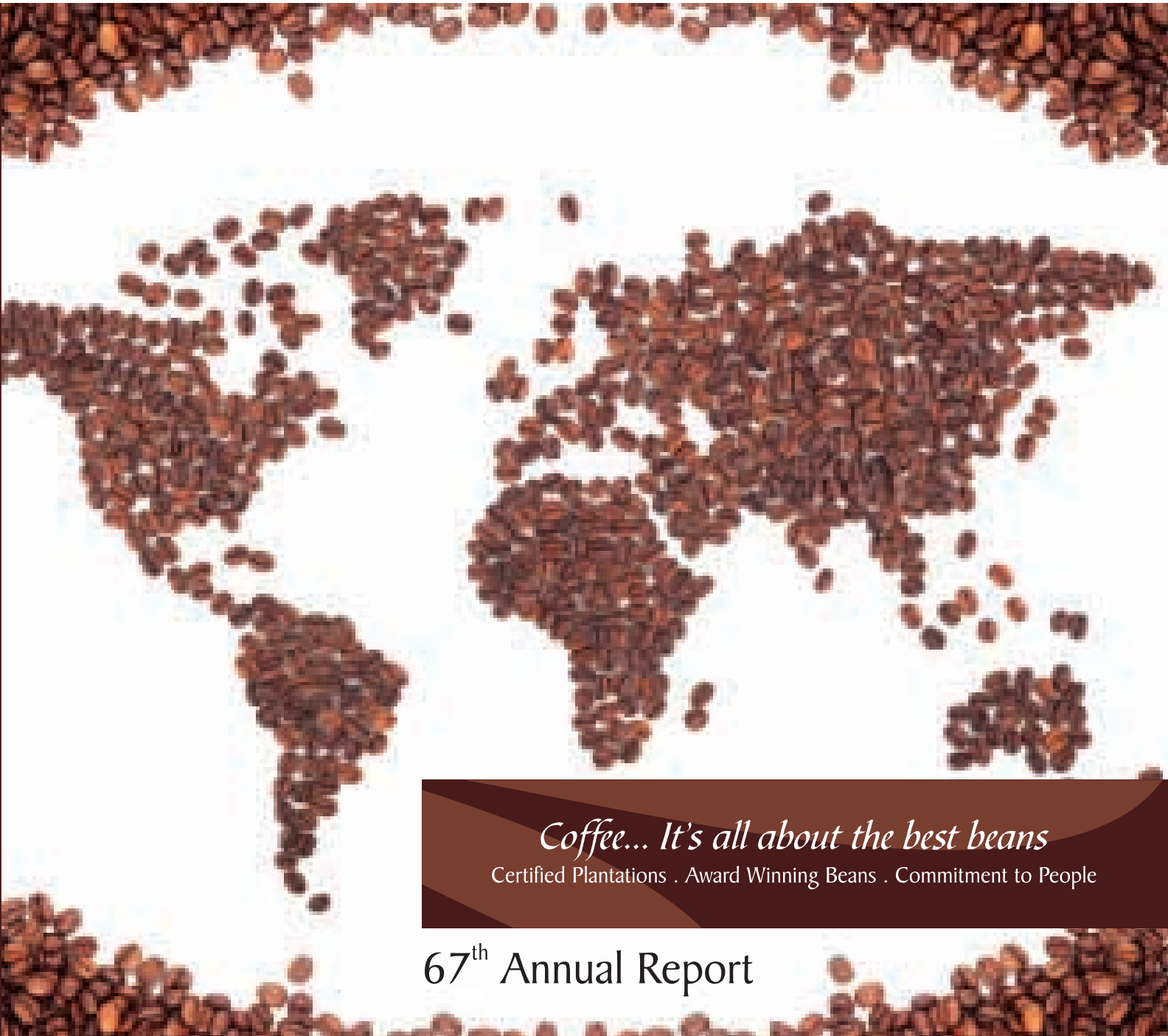
TATA

TATA COFFEE

2009 - 2010



Coffee... It's all about the best beans

Certified Plantations . Award Winning Beans . Commitment to People

67th Annual Report

Annual General Meeting on
Friday, the 23rd July, 2010 at the
Registered Office
at 12 Noon

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COMPANY INFORMATION

Board of Directors

R.K. Krishna Kumar (Chairman)

R. Govindarajan

P.T. Siganporia

U.M. Rao

Prof. A. Monappa

Ms. Sangeeta Talwar

Venu Srinivasan

S. Santhanakrishnan

T.V. Alexander

Hameed Huq (Managing Director)

Auditors
N.M. Raiji & Co.
SNB Associates

Bankers
Corporation Bank
Indian Overseas Bank
Standard Chartered Bank
Hongkong and Shanghai Banking Corp. Ltd.
ICICI Bank Limited
HDFC Bank Limited

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

Debenture Trustees

Rights Issue of Partly Convertible Debentures
IDBI Trusteeship Services Ltd.
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400 001.

Board Committees

Audit Committee
S. Santhanakrishnan – Chairman
R. Govindarajan
U. Mahesh Rao

Shareholders/Investors Grievance Committee
R.K. Krishna Kumar – Chairman
R. Govindarajan
Hameed Huq

Remuneration Committee
U. Mahesh Rao – Chairman
R.K. Krishna Kumar
R. Govindarajan
Prof. A. Monappa

NOTICE

NOTICE is hereby given that the 67th Annual General Meeting of the Company will be held at the Registered Office of the Company at Pollibetta, Kodagu, on Friday the, 23rd July, 2010 at 12 Noon to transact the following business :

1. To receive and adopt the audited Profit and Loss Account for the year ended 31st March, 2010 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.K. Krishna Kumar who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. P.T. Siganporia who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Ms. Sangeeta Talwar who retires by rotation and is eligible for re-appointment.
6. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

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

7. As an Ordinary Resolution :

   RESOLVED that Mr. Hameed Huq be and is hereby appointed as Director of the Company not liable to retire by rotation.

8. As an Ordinary Resolution :

   RESOLVED that pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") read with Schedule XIII of the Act, the Company hereby approves the appointment of and terms of remuneration payable to Mr.Hameed Huq as Managing Director for the period from 3rd January, 2010 to 2nd January, 2013 upon the terms and conditions, including the remuneration to be paid in the event of 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 Directors of the Company to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Huq.

   RESOLVED FURTHER that the Board of Directors or a Committee thereof of the Company, be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.

9. As a Special Resolution:

   RESOLVED that pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, (the Act) a sum not exceeding 1% of the net profits of the Company per annum computed in the manner prescribed in Section 309 (5) of the Act, be paid to and distributed as commission amongst the Directors of the Company or some or any of them (other than the Managing Director/Wholetime Directors) in respect of the profits of the Company for each of the five financial years commencing 1st April, 2010 in such amounts or proportion and in such manner as may be decided by the Board of Directors of the Company.

By Order of the Board

M.K.C. Pai
Company Secretary

Place : Bangalore

Date : 17th June, 2010

NOTES :

1. The Register of Members of the Company will remain closed from 9th July, 2010 to 23rd July, 2010, 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 valid transfers in respect of the shares lodged with the Company on or before the close of business hours on 8th July, 2010 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 8th July, 2010 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 the dividend upto the aforesaid financial year are requested to claim their dividend from the Registrar of Companies, 2nd Floor, "E" Wing, Kendriya Sadan, Koramangala, Bengaluru, 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, 2002 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, 2003 will be transferred to the Fund shortly. Shareholders are requested to note that once unpaid/unclaimed amounts are transferred to the Fund, no claim shall lie against the Fund or the Company. Shareholders who have not yet encashed their dividend warrants 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 15th October, 2001, had 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.

   As per RBI notification, with effect from 1st October, 2009, the remittance of money through ECS is replaced by National-ECS (NECS) and banks have been instructed to move to the NECS platform with immediate effect. NECS essentially operates on the new and unique bank account number allotted by banks post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions.

   Shareholders holding shares in physical form are requested to notify their bank details giving the name of the bank, the branch, account number and type and also any change of address to the Company's Registrar and Transfer Agent, TSR Darashaw 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 NECS facility offered by the Company should, in addition to the aforesaid bank details also furnish their Bank Branch Code & CBS Account number to the Registrars / 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.K. Krishna Kumar	P.T. Siganporia	Sangeeta Talwar	Hameed Huq
Date of Birth	18.07.1938	22.05.1951	05.05.1956	31.01.1951
Date of Appointment	10.01.1991	20.10.2004	27.10.2006	03.01.2010
Qualifications	M.A. Economics	B.Sc., PGDBM	B.A. (Eco), MBA	B.A. (Hons.)
Expertise in specific functional area	Long experience of overall business management of Indian and Overseas Corporate Bodies.	Marketing, Sales and Overall Business Managment and Administration.	Marketing, Sales, Distribution and Overall Business Management and Administration.	General Management of plantations.
Chairman/ Director of other Companies (excluding foreign companies) as on 31.03.2010	As detailed below (1)	1. Tata Tea Limited – Managing Director 2. Mount Everest Mineral Water Ltd. – Non-Executive Chairman	Tata Tea Limited – Executive Director	Alliance Coffee Limited - Director
Chairman/Member of Committees* of the Boards of which he is a Director as on 31.03.2010	As detailed below (1)	Nil	Nil	Nil
No. of Shares held in the Company	Nil	50	Nil	199

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

(1) Directorships in Companies & Memberships in Committees of Mr. R.K. Krishna Kumar

Sl. No.	**Name of the Company**	**Membership in Committees**	
		Name of the Committee	**Position held**
1.	Tata Sons Limited	Remuneration	Member
2.	Tata Industries Limited		
3.	The Indian Hotels Company Limited	1. Remuneration 2. Shareholders/Investors Grievance	1. Member 2. Member
4.	Tata Tea Limited	1. Audit 2. Remuneration	1. Member 2. Member
5.	Tata Housing Development Co. Ltd.		
6.	Ewart Investments Limited		
7.	Piem Hotels Limited		
8.	Oriental Hotels Limited	Remuneration	Member
9.	Infiniti Retail Limited	Remuneration	Chairman
10.	Tata Realty & Infrastructure Limited	Remuneration	Chairman

EXPLANATORY STATEMENT

Pursuant to Section 173(2) of the Companies Act, 1956

Item Nos. 7 & 8

Mr. Hameed Huq on the expiry of his term as Wholetime Director was appointed by the Board as Additional Director of the Company with effect from 3rd January, 2010. In terms of Section 260 of the Companies Act, 1956, Mr. Huq holds office till the date of the ensuing Annual General Meeting and is eligible for re-appointment as a Director not liable to retire by rotation in terms of the Articles of Association. Notice under Section 257 of the Companies Act, 1956 along with requisite deposit has been received from a member signifying his intention to propose the candidature of Mr. Huq as Director.

The Board also appointed Mr. Huq as the Managing Director of the Company for a period of three years with effect from 3rd January, 2010 on the terms and conditions including remuneration as indicated below. Mr. Huq's appointment is subject to the approval of the members in general meeting.

(i) Tenure of Agreement: For the period from 3rd January, 2010 to 2nd January, 2013.

(ii) Nature of duties: Mr. Huq ("the Appointee") shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interest of the business of the Company and the business of any one or more of its subsidiaries and/or associated companies, including performing duties as assigned by the Board from time to time by serving on the boards of such companies or any other executive body or any committee of such a company.

(iii) A. Remuneration: Salary: Rs.3,00,000/- per month in the scale of Rs.3,00,000/- to Rs.5,00,000/- with annual increments effective April 1 every year as may be decided by the Board, based on merit and taking into account the Company's performance; incentive remuneration, if any, and/or commission based on certain performance criteria to be laid down by the Board; benefits, perquisites and allowances as may be determined by the Board from time to time.

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

The aggregate of the remuneration as aforesaid shall be within the maximum limits as stipulated 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.

(iv) The terms and conditions of appointment also include clauses pertaining to adherence with the Tata Code of Conduct, including no conflict of interest with the Company, non-compete and maintenance of confidentiality.

(v) The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit, within the maximum amounts payable to the Appointee, in accordance with the provision of the Act or any amendments made hereafter in this regard and subject to such approvals as may be required.

(vi) The appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu of Notice.

(vii) The Appointee is being appointed as a Director by virtue of his employment in the Company and his appointment is subject to the provisions of Section 283(1)(l) of the Act.

(viii) If and when the appointment comes to an end for any reason whatsoever, the Appointee will cease to be the Managing Director and also cease to be a Director. If at any time, the Appointee ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Managing Director, as the case may be, and the appointment shall forthwith terminate.

In compliance with the provisions of Sections 269, 309 and other applicable provisions of the Act read with Schedule XIII of the Act, the terms of appointment and remuneration specified above are now being placed before the Members for their approval.

The Directors commend the resolutions at Item Nos.7 & 8 of the accompanying notice for approval of the Members.

Mr. Huq is interested in Item Nos. 7 & 8 of the Notice.

Abstract of the terms of appointment of Mr. Huq as Managing Director has already been circulated to the members pursuant to Section 302 of the Act.

Item No. 9

By a Special Resolution passed by the members of the Company at the Annual General Meeting held on 4th August, 2005, authority was given under Section 309 of the Companies Act, 1956 to the determination and distribution amongst the Directors (other than the Managing Director and Wholetime Directors) of a sum not exceeding 1% of the net profits of the Company as Commission for a period of five years commencing 1st April, 2005. Approval of the Shareholders is now being sought to the payment of Commission not exceeding 1% of the Net profits of the Company to the Directors (other than the Managing and Wholetime Directors) in respect of profits of the Company for each of the five financial years commencing 1st April, 2010. The amount, to be determined by the Board will be paid to and distributed amongst all or some of the Directors in accordance with the directions the Board may give in this regard.

The resolution set out in Item No.9 is to be considered accordingly and is placed before the Shareholders for their approval.

All Directors other than Mr. Huq are concerned or interested in the resolution to the extent of the payment that they may receive by way of Commission.

By Order of the Board
M.K.C. Pai
Company Secretary

Place : Bangalore
Date : 17th June, 2010

2005/2006 TO 2009/2010 A FIVE YEAR REVIEW

INCOME & DIVIDEND, ETC.		2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sale Value of Coffee and						
Estate Products and Gross Income						
From Services rendered	(Rs. in Lakhs)	19122.77	26849.65	32692.38	33678.62	37342.43
Profit Before Tax	(Rs. in Lakhs)	2634.50	2774.77	3857.45	2840.60	4999.92
As percentage of Sales		14	10	12	8	13
Profit After Tax	(Rs. in Lakhs)	2232.06	2023.06	2468.13	1864.42	3198.98
As percentage of Sales		12	8	8	6	9
As percentage of Networth		12	6	7	6	9
(Shareholders' Funds)						
Expenses as percentage of Income		86	91	88	92	87
Current Assets/Current Liabilities		4.05:1	2.52:1	2.39:1	1.73:1	2.59:1
Debt/Equity Ratio		0.75:1	0.57:1	0.58:1	0.58:1	0.41:1
Fixed Assets/Net Worth (as percentage)		102	71	72	81	65
Net Profit per Equity Share	(Rs.)	17.90	13.94	13.21	9.98	17.13
Dividend distributed	(Rs.)	6.5	6.5	7	6	7.50
Assets & Liabilities	(Rs. in Lakhs)					
Net Fixed Assets		18902.80	23945.41	24653.08	24374.13	23318.91
Stocks		8947.89	7508.46	8329.58	12545.97	11674.88
Debtors, Loans & Advances		7476.06	8601.10	11371.97	9694.43	9482.44
Other Assets		709.84	1965.44	771.56	1037.69	2149.27
Sundry Liabilities		4234.72	7186.86	8566.60	13441.60	8990.32
Net Current Assets		12899.07	10888.14	11906.51	9836.49	14316.27
Deferred Revenue Expenditure		154.14	50.48	23.63	3.96	-
Investments in Shares & Securities		1077.11	18705.22	18382.92	14677.62	14677.62
Total Assets		**33033.12**	**53589.25**	**54966.14**	**48892.20**	**52312.80**
Represented by	(Rs. in Lakhs)					
Share Capital		1246.87	1867.70	1867.70	1867.70	1867.70
Reserves		17351.03	32069.26	32293.45	28405.60	34120.26
Shareholders' interest (Net Worth)		18597.90	33936.96	34161.15	30273.30	35987.96
Loans		13890.62	19212.50	19934.78	17666.51	14864.22
Deferred Tax Liability (Net)		544.60	439.79	870.21	952.39	1460.62
Total Liabilities		**33033.12**	**53589.25**	**54966.14**	**48892.20**	**52312.80**

PRODUCTION (IN TONNES)

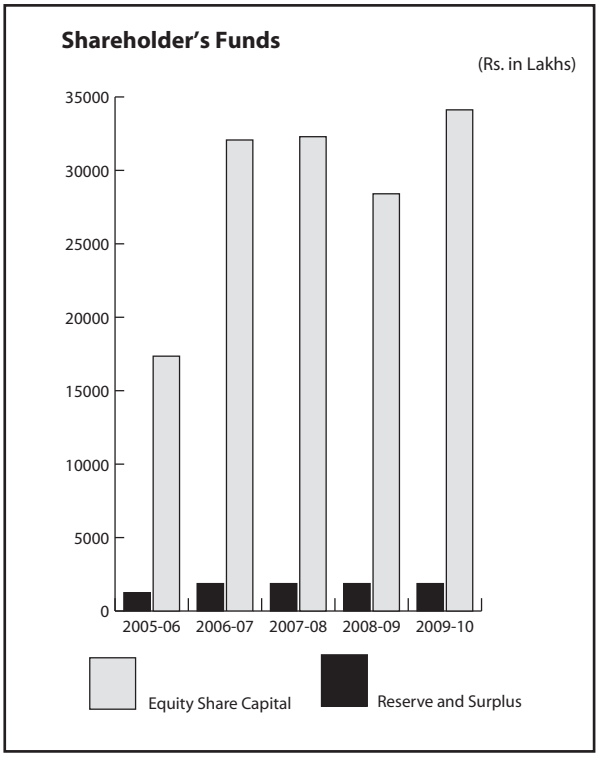
YEAR	COFFEE			TEA	PEPPER	CARDAMOM	COFFEE	INSTANT
	ARABICA	ROBUSTA	TOTAL				CURED	COFFEE
2000/2001	2885	6370	9255	990	929	8.34	18167	4771
2001/2002	2595	5790	8385	1072	1196	6.62	16223	4507
2002/2003	3044	6813	9857	1114	856	4.43	13027	3590
2003/2004	2338	5539	7877	1048	1150	7.10	14548	5368
2004/2005	2680	4944	7624	1119	1328	10.98	13241	3341
2005/2006	2110	6434	8544	2699	981	14.23	11105	4263
2006/2007	2014	5503	7517	6936	861	44.49	11870	3628
2007/2008	2233	5771	8004	6576	682	4.97	11247	4966
2008/2009	1551	4225	5776	7606	1515	14.52	11195	5219
2009/2010	2171	7285	9456	7994	884	32.01	10427	2955

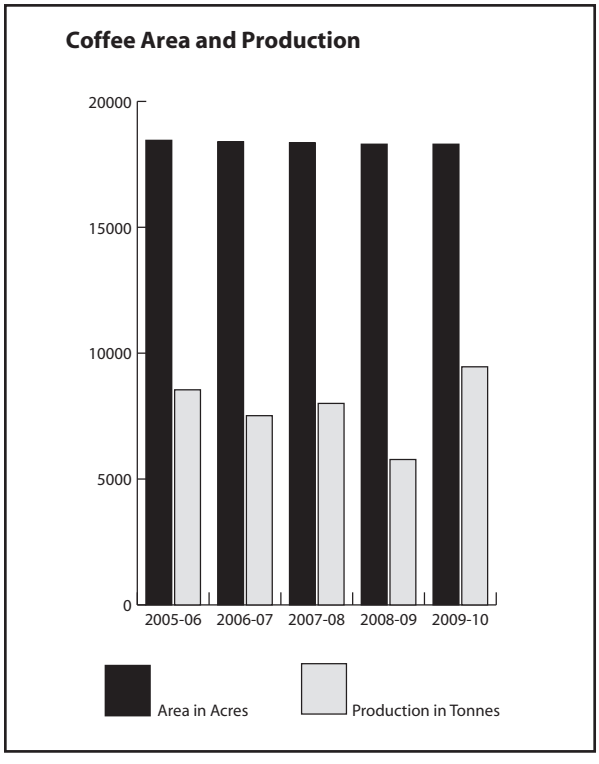
Note - The crop figures for the year 2005/06 and onwards include crop of Anamallai Group Estates which were acquired by the Company during the year 2005/06.

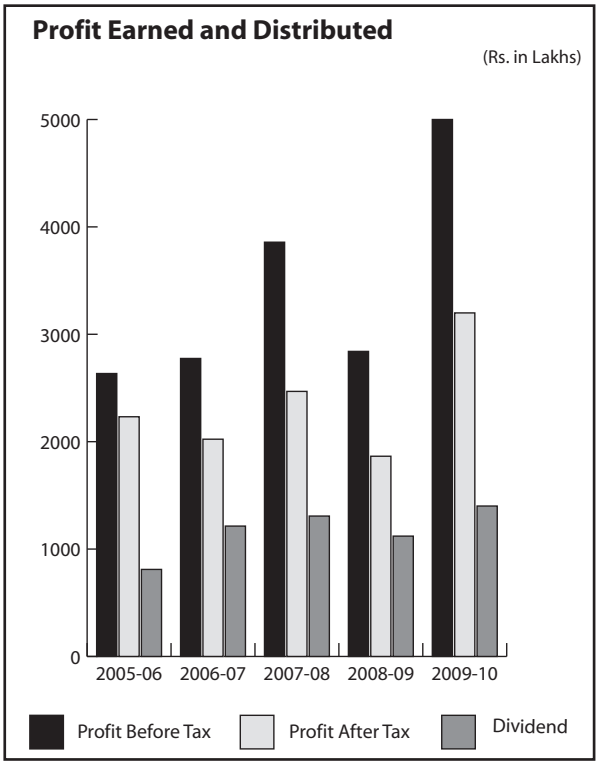
ACREAGE STATEMENT - 5 YEARS

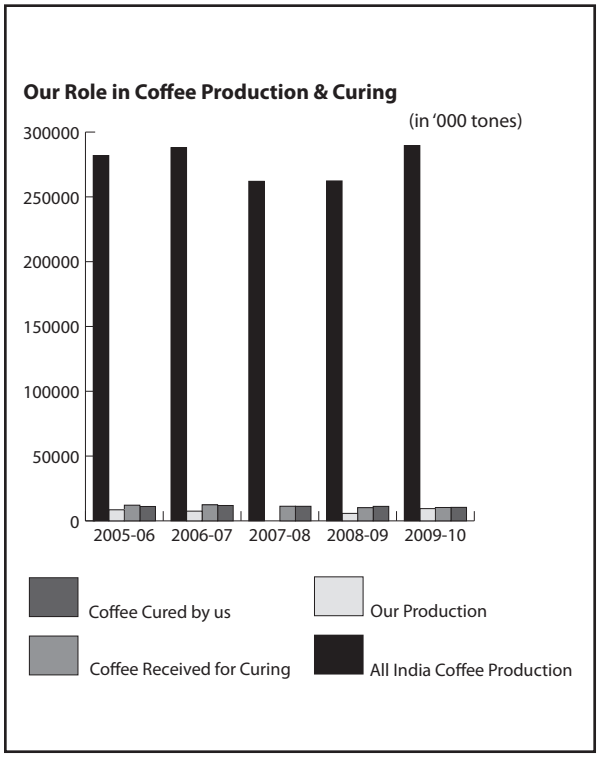
	2005/06	2006/07	2007/08	2008/09	**2009/10**	
	Acres				**Acres**	**Hectares**
COFFEE *						
Arabica	7786	7786	7569	7563	7539	3052
Robusta	10582	10523	10700	10651	10675	4322
Mixed Coffee	86	86	86	86	86	35
	18454	18395	18355	18300	18300	7409
TEA	6089	6089	6089	6089	6089	2465
OTHER CROPS						
Cardamom	533	533	420	496	504	204
Paddy	123	123	104	37	39	16
Pure Pepper/Areca	294	351	496	472	464	188
TOTAL CULTIVATED AREA :	**25493**	**25491**	**25464**	**25394**	**25396**	**10282**

* Pepper interplanted in Coffee


Shareholder's Funds
(Rs. in Lakhs)
35000
30000
25000
20000
15000
10000
5000
0
2005-06
2006-07
2007-08
2008-09
2009-10
Equity Share Capital
Reserve and Surplus


Coffee Area and Production
20000
15000
10000
5000
0
2005-06
2006-07
2007-08
2008-09
2009-10
Area in Acres
Production in Tonnes


Profit Earned and Distributed
(Rs. in Lakhs)
5000
4000
3000
2000
1000
0
2005-06
2006-07
2007-08
2008-09
2009-10
Profit Before Tax
Profit After Tax
Dividend


Our Role in Coffee Production & Curing
(in '000 tones)
300000
250000
200000
150000
100000
50000
0
2005-06
2006-07
2007-08
2008-09
2009-10
Coffee Cured by us
Our Production
Coffee Received for Curing
All India Coffee Production