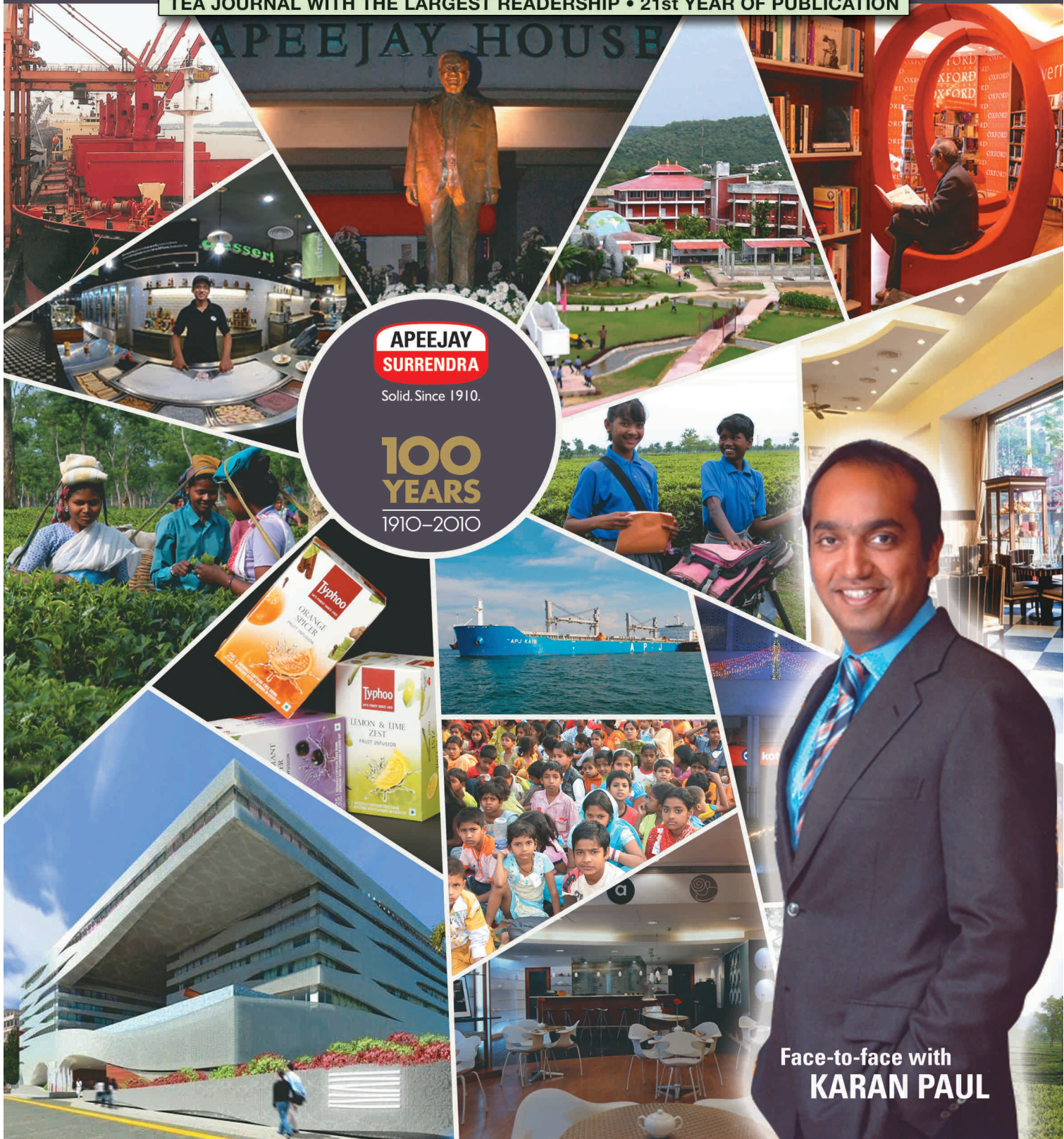


CONTEMPORARY

# TEA TIME

Vol. XIX No.2 • June - August 2010 • Rs.50 • US\$ 4

TEA JOURNAL WITH THE LARGEST READERSHIP • 21st YEAR OF PUBLICATION



**APEEJAY  
SURRENDRA**

Solid. Since 1910.

**100  
YEARS**  
1910-2010



Face-to-face with  
**KARAN PAUL**

**APEEJAY  
SURRENDRA**

Solid. Since 1910.



# APEEJAY

# 100

100  
YEARS  
1910-2010

**T**he story of the Apeejay Surrendra Group. A saga spanning a hundred golden years. Of a strong and resilient family. A humble beginning in Jalandhar, Punjab, to geographies across the globe. A phenomenal growth from 100 people to over 43,000. A journey through pain and hardship, good times and laughter that has cemented an everlasting familial bond. And been the springboard for the leap towards the sky – the only limit.

*A CONTEMPORARY TEA TIME report*



Karan Paul, Chairman,  
Apeejay Surrendra Group

## COVER STORY

Pyare Lal, the founder of the Group, his sons Jit Paul and Surrendra Paul and their families built the Apeejay Group on a firm foundation of business ethics. During the early years of Indian Independence, they committed themselves to driving the engines of the fledging economy. Their integrity, hard work and dedication to the nation built the Apeejay legacy. Today, the new generation of the Paul family has taken that commitment forward to evolve the Apeejay Surrendra vision and arrive where it has today.

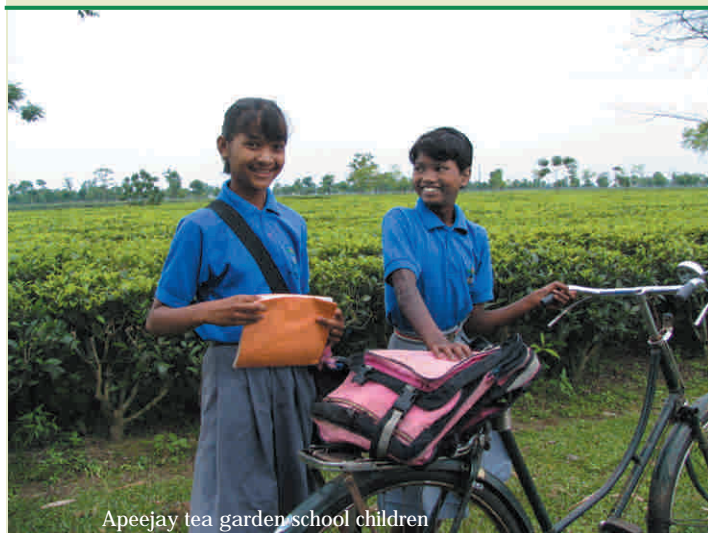
India today has reached a position of global pre-eminence with business as the key beneficiary of the nation's economic upswing. But prosperity is yet to reach all its people. Realising that it is the responsibility of business houses like theirs to lead the way and give back in ample measure, the young leaders of the Apeejay Surrendra Group are focused on execution of the Group's corporate social responsibility through welfare of workers, their dependants and the communities involved in the Group's business, education, health and empowerment of women, children and the disabled. Becoming active partners for positive change is an integral part of the centenary goals of the Group.

# Tea

**T**he Apeejay Surrendra Group aims to affect a substantial increase in total yield and overall tea production, year on year. By consolidating their retail business and aggressively entering new markets around the world, the Group continues to ascend the tea value chain.

Apeejay Tea Group directs its operations through the Apeejay Tea Limited, Empire and Singlo, and

Control Points) certification for implementing a systematic preventive approach to food safety throughout the tea cultivation and processing stages. In partnership with their suppliers and growers, they have adopted the Quality Assurance Programme (QAP) of Typhoo, the 100 year old UK tea brand that the Group acquired in 2005, to enhance ethical awareness and continuously improve working



Apeejay tea garden school children



Busy workers

Kharjan Tea Estate. They are the third largest tea company in India and amongst the leading producers of tea in the world. With 17 estates spread over 50,000 acres in Assam, they produce close to 25 million kg of premium tea annually.

The Group gardens follow internationally benchmarked safety, quality and ethical standards. As active participants of the Ethical Tea Partnership and Ethical Trading Initiative, they are committed to responsible business practices in tea. They have received HACCP (Hazard Analysis and Critical

conditions in their gardens. The result has been progressive and sustainable compliance extending from food safety to the environment. Khobong and Budlabeta – Apeejay Tea Group gardens – adhere to the standards of Fairtrade and are certified by FLO-CERT GmbH (the certification body of Fairtrade Labelling Organisation International). The Group continues its efforts to favourably impact the quality of life of garden workers, bringing to them a host of economic, social and environmental benefits. Rainforest Alliance Certification has also been put





Typhoo UK range



Garden school bus (top) and ambulance

intoprocess in its tea plantations in 2010.

Dating back to 1864, Apeejay Tea Group gardens are among the oldest in India. But their approach to tea management reflects progressiveness. An aggressive uprooting and replanting programme to reinvigorate the Group gardens for enhanced bush productivity is currently on in full swing. The factories are being continuously modernised and upgraded with best-in-class machinery and facilities. Recognising the ongoing contribution of the plantation worker, Apeejay Tea Group is closely involved with its 40,000-strong workforce and their dependents. The welfare of their plantation communities remains a core priority and is reflected in multiple social welfare programmes initiated in and around their estate.

Quality consciousness and efficient process control has enabled Apeejay Tea Group to stay competitive

UK, Germany, Russia, Iran, UAE and Pakistan, amongst others. Their premium teas are the pick of international customers, like Unilever, Tetley, UK, Tazo, USA (supplier to Starbucks worldwide) and Typhoo. A big feather in their cap has been the Apeejay's appointment as the sole India partner of Harrods, London for sourcing Indian teas. An exclusive collection of the Group's single-estate teas, Sessa, Khobong and Pengaree are on Harrods' prestigious shelves.

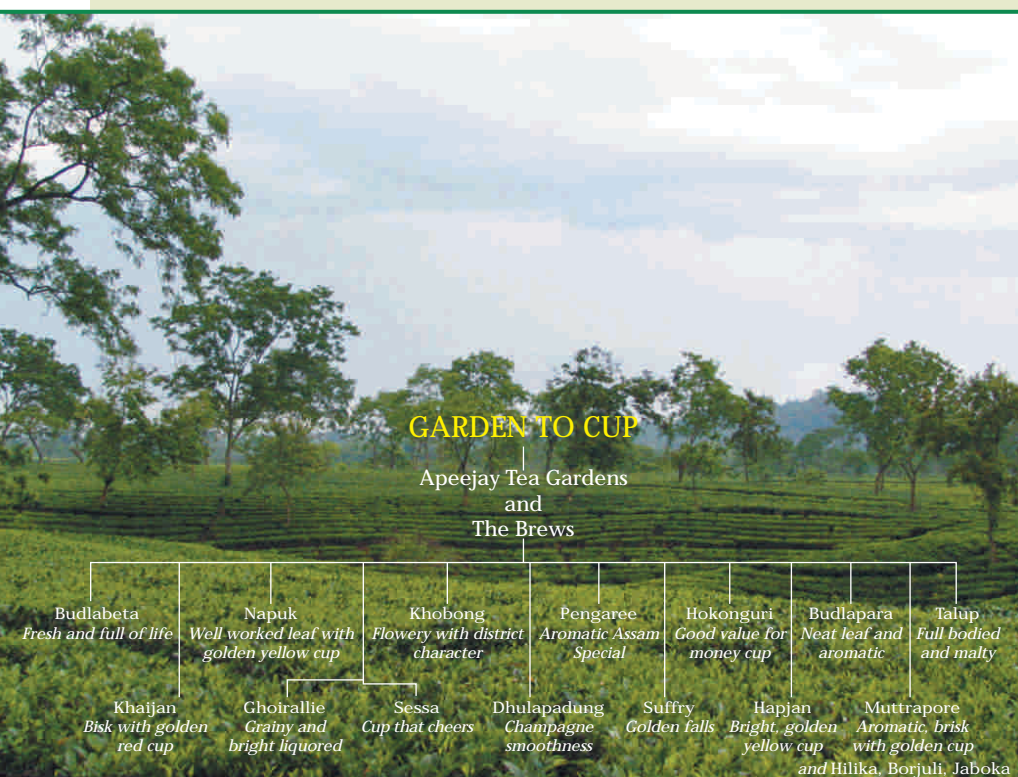
Moving up the value chain and responding to customer preference, in 2000, Apeejay Tea launched its own labels Mantra and Maha Mantra in the Indian retail space. In 2005, embarking on its global retail strategy the Group acquired Typhoo, a 100 year old brand and UK's third largest tea label. Typhoo was India's second largest global FMCG buy-out and the seventh biggest corporate takeover by an Indian company, at that time. With a portfolio of 12 brands and over 400 products, Typhoo is exported to nearly 50 countries. Rollout strategy for India leverages Typhoo's international retail experience to access the robust domestic market for hot, cold and lifestyle beverages.

## Restoring Land Balance

In recent years, Apeejay Tea Group has put large tracts of land under rejuvenation within its 50,000 acres of tea plantation in Assam. Despite the resulting loss of production, the Group believes this programme is critical for the long-term health of its land. Since the rejuvenation programme began in

and provide better value to its customers. The Group sells to bulk markets through the domestic auction sale system and increasingly to international customers directly. Their clientele includes major buyers in the

the year 2000, uprooting has been done in 1,867.87 hectares of old tea sections (approximately 14% of the total plantation area) and 1,280.93 hectares have been replanted with young teas.



# Shipping

Apeejay Shipping is amongst the largest privately held shipping companies in India. Established in 1948 in response to the burgeoning opportunities of India's post Independence economy, the Company pioneered new trade routes and was a founder member of the East Coast West Gulf Conference Line. Over the years, the Company has steadily grown its fleet, built enduring partnerships with an international clientele, negotiated the recession of the '90s and

emerged a leading sea transportation solutions provider.

Expert human resources supported by the latest logistical management systems enable the ISO 9001:2000 certified fleet to deliver world class, timely service. Specialising in dry bulk cargo, the fleet comprises different sized vessels which are being constantly upgraded to meet the requirements of global trade.

The past few years have seen Indian shipping ride the high wave. A booming freight market, the favourable introduction of tonnage tax and a robust backing of fiscal incentives have created an industry surge. Seizing opportunity, the Company has entered into two joint venture projects to set up Greenfield Shipyards at West Bengal and Orissa. Both locations will have state-of-the-art ship building and repair facilities to manufacture and maintain up to 3,00,000 DWT, VLCC class vessels and off-shore jack-up rigs for global markets.

Enhancing its value added services, the Company will provide complete logistical support through an efficient and completely integrated delivery mechanism at two joint venture Greenfield logistics Parks of 90 acres in Haldia, West Bengal and 30 acres in Orissa.



# Hospitality

Apeejay Surrendra Park Hotels has pioneered the concept of contemporary luxury boutique hospitality in India. From their first hotel at Kolkata's prime location Park Street in 1967, to their 10th hotel in Pune scheduled to open in 2011, their innovative designs and passionate service continue to make The Park Hotels the destination of choice for international corporate and leisure travellers.

Positioned in the heart of India's buzzing metros, these boutique luxury hotels are unique examples of perfect blending of global trends and local inspiration. Through the technology-enabled living and work spaces, original dining and entertainment concepts, eclectic collection of contemporary art, furniture and accessories or rejuvenating spas that draw on new and traditional treatments, these hotels strive to enhance customer value at every visit and create new benchmarks in global standards of hospitality and service excellence.

