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PRESS RELEASES

Tata Coffee Limited announces results for Q4, FY 2015-16

Superior performance in Instant Coffee business

Audio Clip of the Analyst call held on 16th May, 2016

Tata Coffee Limited announced its results for the fourth quarter and full year ended March 31, 2016, today.

Standalone Results

Financial Year ended March 2016:-

The Company, for the financial year ended 31st March 2016, has reported increase of 5% in its total Income from Operations at Rs.718 Crores. The Operating Profits at Rs 102 Crores vis a vis Rs 104 Crores of the previous year, is impacted marginally by lower profitability of Plantation Segment driven by adverse Coffee Green Bean terminals, and offset by improved performance of the Instant Coffee business.

For the twelve months ended 31 March 2016, the Total Revenue for the Instant Coffee/Value Added segment was Rs. 412 Crores vis-à-vis Rs. 386 Crores of the previous year. This growth in sales was driven primarily by higher sales of Instant Coffee in Core Markets and to new geographies, including acquisition of several new customers, as well as favourable sales mix of value added products. The Value added product segment registered a healthy increase in its operating profit at Rs 53 Crores compared to Rs 42 Crores of the previous year, and this segment continues to remain a focus area for future growth.

The Profit before tax for the financial year ended 31st March 2016 is flat at Rs 142 Crores. The Profit after Tax for the current year is at Rs.103 Crores vis a vis Rs.102 Crores of the previous year.

The Company has declared Dividend payment of Rs.1.30 per share (face value of Re.1/- each) (Previous year: Rs.1.30 per share (face value of Re.1/- each))

Quarter ended March 2016:-

The Company's Total Income from operations for the quarter is at Rs.181 Crores compared to Rs. 187 Crores of the corresponding quarter of the previous year. The Plantation Segment's lower turnover is on account of lower crop availability due to biennial nature of operations in coffee plantations and Green Bean market softness has also impacted realizations, these have been offset by improved sales volumes and realizations of the value added products.

The Instant Coffee/Value Added business of the Company reported robust topline sales and volume growth, with revenues for the quarter at Rs. 105 Crores compared to Rs.96 Crores for the corresponding quarter of the previous year, an increase of 10%. The value added products have registered a sharp improvement in operating profit of Rs.15 Crores vs Rs.10 Crores of the previous period.

Including dividend from its overseas subsidiary Consolidated Coffee Inc of Rs. 25 Crores and Exceptional income (Net) of Rs.15 Crores, the Profit before Tax for the current quarter is flat at Rs.62 Crores. Net Profit for the quarter is Rs. 46 Crores vis a vis Rs.44 Crores for the corresponding quarter of the previous year, an increase of 6% due to lower tax expense.

Consolidated Results

Financial year ended March 16:-

For the financial year ended 31st March 2016, the Consolidated Total Income has increased by 4% at Rs.1764 Crores compared to the corresponding period of the previous year. The Group Consolidated Net Profit, post minority interest, stood at Rs.118 Crores compared to Rs.120 Crores for the corresponding period of the previous year.

The Company's overseas subsidiary, Eight O' Clock Coffee (EOC) has recorded the Total Income of \$160 Million compared to \$ 165 Million of the previous year. While the overall profitability of EOC has been impacted adversely during the financial year mainly due to higher Green coffee cost in the first two quarters, we have seen softening of commodity costs in the most recent two quarters resulting in improved operating performance.

Quarter ended March 16:-

The Company also reported a marginal increase in its Consolidated Total Income from Operations at Rs. 457 Crores as compared to Rs. 452 Crores for the quarter compared to the corresponding quarter of the previous year, driven by improved performance of value added products.

The Consolidated Operating Profits for the quarter is lower at Rs.68 crores compared to the corresponding quarter of the previous year of Rs.86 Crores due to lower plantation profits as detailed above. Consequently, the Consolidated Group Net Profit, post minority interest, for the Quarter is lower at Rs.34 Crores compared to Rs.39 Crores in the corresponding quarter of the previous year.

Financial year ended March 2016-Stand Alone

- Total Income for the twelve months period at Rs. 718 Crores Vs Rs.685 crores, increase of 5%
- Profit from Operations for the twelve months period at Rs. 102 Crores Vs Rs. 104 Crores.
- Dividend from subsidiary Rs 25 Vs Rs 31 Cr in PY
- Profit before Tax is flat at Rs. 142 Crores
- Net Profit for the year at Rs.103 Crores Vs Rs.102 Crores.

Quarter ended March 2016-Stand Alone

- Total Income for the quarter at Rs. 181 Crores Vs Rs. 187 Crores
- Profit from Operations for the quarter at Rs. 20 Crores Vs Rs. 42 Crores
- Dividend from subsidiary Rs 25 Crores Vs Rs 16 Crores in Q4 PY
- Profit before Tax is flat at Rs.62 Crores
- Net Profit for the Quarter at Rs. 46 Crores Vs Rs 44 Crores.

Financial year ended March 2016-Consolidated

- Total Income for the year at Rs.1764 Crores Vs Rs.1693 Crores, an increase of 4%.
- Group Consolidated Net Profit at Rs.118 crores Vs Rs. 120 Crore

Quarter ended March 2016-Consolidated

- Total Income for the quarter at Rs. 457 Crores Vs Rs.452 crores
- Group Consolidated Net Profit at Rs. 34 crores Vs Rs. 39 crores.

Sustainability

Tata Coffee is committed to the use of sustainable practices in various areas of plantations, including irrigation and water management. This focus has also now extended to the instant coffee operations, including significant use of renewable energy (Wind and Solar) at the Theni manufacturing unit.

The Instant Coffee factories also received the following awards during the quarter.

1. Toopran Instant Coffee Plant won 2nd Prize in Food Processing Category at the National Energy Conservation Awards.
2. Theni Instant Coffee Plant was awarded the CII-ITC Sustainability Award for Excellence in Sustainable Business.

TCL also bagged two awards at the 12th Golden Leaf India Awards - 2016 for high quality tea (Orthodox whole leaf & Orthodox Fannings) produced in Pachaimallai Tea factory.

Commenting on the Company's performance, Mr. Sanjiv Sarin, Managing Director, Tata Coffee Limited, said – "The results for the financial year 2015-16 should be viewed against the background of depressed commodity prices in coffee, and volatile currencies. I am happy to report that we have navigated through this challenging commodity scenario in a very proactive manner, protecting and enhancing the overall health of our business. The company continues to grow its Instant Coffee portfolio in a robust manner focusing on enhanced sales in key geographies and strengthening customer relationships."

About TATA Coffee Limited

Tata Coffee is a subsidiary of Tata Global Beverages Limited. It is Asia's largest integrated coffee company, the 3rd largest exporter of Instant Coffee and foremost producer of Specialty Coffee in India. The Company produces more than 10,000 MT of shade grown Arabica and Robusta coffees at its 19 estates in South India and its two Instant Coffee manufacturing facilities have a combined installed capacity of 8400 Metric Tonnes. It exports Green Coffee to countries in Europe, Asia, Middle East and North America. Tata Coffee's farms are triple certified: Utz, Rainforest Alliance and SA8000 reinforcing its commitment to the people and the environment.