TATA

Our Coffee Story

Trust
Quality
Value

TATA COFFEE

69th ANNUAL REPORT 2011-2012

Annual General Meeting on
Friday, the 27th July, 2012 at the
Registered Office
at 11:30 a.m.

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COMPANY INFORMATION

Board of Directors

Mr. R.K. Krishna Kumar (Chairman)

Mr. P.T. Siganporia

Mr. U.M. Rao

Prof. A. Monappa

Mr. Venu Srinivasan

Mr. S. Sanathanakrishnan

Mr. Hameed Huq (Managing Director)

Mr. M. Deepak Kumar (Executive Director – Finance)

Mr. T.V. Alexander (Till 05.02.2012)

Mr. R. Govindarajan (Till 05.08.2011)

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

Registrar and Transfer Agent
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 Limited
ICICI Bank Limited
HDFC Bank Limited
RABOBANK International

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
Mr. S. Santhanakrishnan – Chairman
Mr. U. Mahesh Rao
Prof. A. Monappa

Shareholders/Investors Grievance Committee
Mr. R.K. Krishna Kumar – Chairman
Mr. S. Santhanakrishnan
Mr. Hameed Huq

Remuneration Committee
Mr. U. Mahesh Rao – Chairman
Mr. R.K. Krishna Kumar
Prof. A. Monappa
Mr. Venu Srinivasan

NOTICE

NOTICE is hereby given that the 69th Annual General Meeting of the Company will be held at the Registered Office of the Company at Pollibetta, Kodagu, on Friday, the 27th July, 2012 at 11.30 A.M. to transact the following business:

1. To receive and adopt the audited Profit and Loss Account for the year ended 31st March, 2012 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To declare a Dividend on Equity shares.
3. To appoint a Director in place of Mr. S. Santhanakrishnan who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. Venu Srinivasan who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors and fix their remuneration.

By Order of the Board

M.K.C. PAI
Company Secretary

Place: Mumbai
Date: 30th May, 2012

NOTES:

1. The Register of Members of the Company will remain closed from 10th July, 2012 to 27th July, 2012, 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. 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 9th July, 2012 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 9th July, 2012 as per details furnished by the Depositories for the purpose.
4. **All unclaimed/unpaid dividends upto the financial year ended 31st March, 1996 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 up to 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, 1997 to 31st March, 2004 has 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, 2005 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 en-cashed their dividend warrants are requested to do so sufficiently in advance before the said transfers take place.
5. Securities and Exchange Board of India (SEBI) vide their Circular dated 15th October, 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.

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 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	**S. Santhanakrishnan**	**Venu Srinivasan**
Date of Birth	01.11.1950	11.12.1952
Date of Appointment	13.10.2008	13.10.2008
Qualifications	Graduate in Science, Degree in Law, Fellow Member of the Institute of Chartered Accountants of India.	B. Tech. PGDM (IIM)
Expertise in specific functional area	Chartered Accountant	Overall – Business Management
Directorship in other Companies (excluding foreign companies) as on 31.03.2012	As detailed below (1)	As detailed below (2)
Chairman/Member of Committees* of the Boards of which he is a Director as on 31.03.2012	As detailed below (1)	As detailed below (2)
No. of Shares held in the Company	Nil	Nil

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

(1) Directorships in Companies & Memberships in Committees of Mr. S. Santhanakrishnan

Sl. No.	**Name of the Company**	**Membership in Committees**	
		Name of the Committee	**Position held**
1.	Tata Realty and Infrastructure Limited	Finance Committee	Member
2.	Tata Housing Development Company Limited	Audit Committee	Chairman
3.	IDBI Federal Life Insurance Co. Limited	Audit Committee	Chairman
4.	The Catholic Syrian Bank Ltd.	Management Committee	Member
5.	Edelweiss Trusteeship Co. Pvt. Ltd.	Audit & Risk Committee	Chairman
6.	Sands BKC Properties Pvt. Ltd.	-	-
7.	Sands Chembur Properties Pvt. Ltd.	-	-
8.	TMI e2e Academy Pvt. Ltd.	-	-

(2) Directorships in Companies & Memberships in Committees of Mr. Venu Srinivasan

Sl. No.	**Name of the Company**	**Membership in Committees**	
		Name of the Committee	**Position held**
1.	TVS Motor Company Limited, Chairman & Managing Director	Investors Grievance Committee	Member
2.	Sundaram-Clayton Limited, Chairman & Managing Director	Investors Grievance Committee	Member
3.	Harita-NTI Limited, Chairman	Audit Committee	Chairman
4.	TVS Credit Services Limited, Chairman	-	-
5.	Lucas TVS Limited	-	-
6.	TVS Sundram Iyengar & Sons Limited	Audit Committee	Member
7.	Southern Roadways Limited	-	-
8.	Sundram Fasteners Limited	-	-
9.	Cummins India Limited	-	-
10.	Sundram Non-conventional Energy Systems Limited	-	-
11.	TVS Investments Limited	-	-
12.	Oriental Hotels Limited	-	-
13.	TVS Energy Limited	-	-

2007/2008 TO 2011/2012 A FIVE YEAR REVIEW

INCOME & DIVIDEND ETC		2007-08	2008-09	2009-10	2010-11	2011-12
Sale Value of Coffee and Estate Products and Gross Income From Services rendered	(₹ in Lakhs)	32692.38	33678.62	37342.43	42209.94	51657.20
Profit Before Tax	(₹ in Lakhs)	3857.45	2840.60	4999.92	6862.18	10415.74
As percentage of Sales		12	8	13	16	20
Profit After Tax	(₹ in Lakhs)	**2468.13**	**1864.42**	**3198.98**	**5508.46**	**7885.28**
As percentage of Sales		8	6	9	13	15
As percentage of Networth (Shareholder's Funds)		7	6	9	14	17
Expenses as percentage of Income		88	92	87	84	80
Current Assets/Current Liabilities		2.39:1	1.73:1	2.59:1	2.89:1	2.31:1
Debt/Equity Ratio		0.58:1	0.58:1	0.41:1	0.29:1	0.16:1
Fixed Assets/Net Worth (as percentage)		72	81	65	56	51
Net Profit per Equity Share	(₹)	13.21	9.98	17.13	29.49	42.22
Dividend per Share	(₹)	7	6	7.50	10	11
Assets & Liabilities	(₹ in Lakhs)					
Net Fixed Assets		24653.08	24374.13	23318.91	22561.37	23141.05
Long-term loans and advances		-	-	-	-	4180.77
Stocks		8329.58	12545.97	11674.88	12532.37	12395.28
Debtors, Loans and Advances		11371.97	9694.43	9482.44	11408.14	9851.63
Other Assets		771.56	1037.69	2149.27	1095.99	1533.43
Sundry Liabilities		8566.60	13441.60	8990.32	8655.54	10305.26
Net Current Assets		11906.51	9836.49	14316.27	16380.96	13475.11
Deferred Revenue Expenditure		23.63	3.96	-	-	-
Investments in Shares & Securities		18382.92	14677.62	14677.62	14570.24	14564.09
Total Assets		**54966.14**	**48892.20**	**52312.80**	**53512.57**	**55360.99**
Represented by	(₹ in Lakhs)					
Share Capital		1867.70	1867.70	1867.70	1867.70	1867.70
Reserves		32293.45	28405.60	34120.26	38433.48	43858.02
Shareholders' Interest (Net Worth)		34161.15	30273.30	35987.96	40301.18	45725.72
Loans		19934.78	17666.51	14864.22	11874.05	7183.24
Long-term liabilities and Long-term provisions		-	-	-	-	1396.03
Deferred Tax Liability (Net)		870.21	952.39	1460.62	1337.34	1056.00
Total Liabilities		**54966.14**	**48892.20**	**52312.80**	**53512.57**	**55360.99**

PRODUCTION (IN TONNES)

	COFFEE						CURED	INSTANT
YEAR	ARABICA	ROBUSTA	TOTAL	TEA	PEPPER	CARDAMOM	COFFEE	COFFEE
2002-03	3044	6813	9857	1114	856	4.43	13027	3590
2003-04	2338	5539	7877	1048	1150	7.10	14548	5368
2004-05	2680	4944	7624	1119	1328	10.98	13241	3341
2005-06	2110	6434	8544	2699	981	14.23	11105	4236
2006-07	2014	5503	7517	6936	861	44.49	11870	3628
2007-08	2233	5771	8004	6576	682	4.97	11247	4966
2008-09	1551	4225	5776	7606	1515	14.52	11195	5219
2009-10	2171	7285	9456	7994	884	32.01	10427	2955
2010-11	1670	6620	8290	7334	535	16.02	12959	4974
2011-12	2129	5746	7875	6775	864	13.35	12010	6347

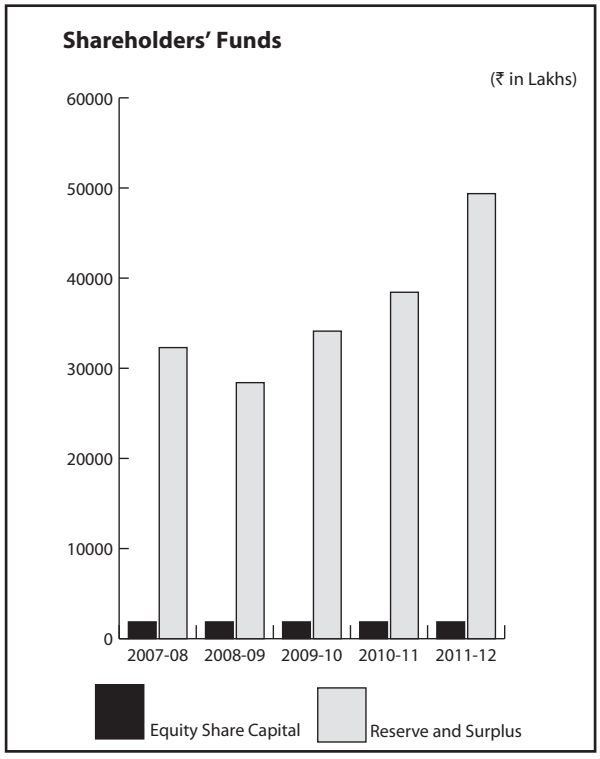
Note: The crop figures for the year 2005-06 and onwards include crop of Anamallai Group Estates which were acquired by the Company during the year 2005-06.

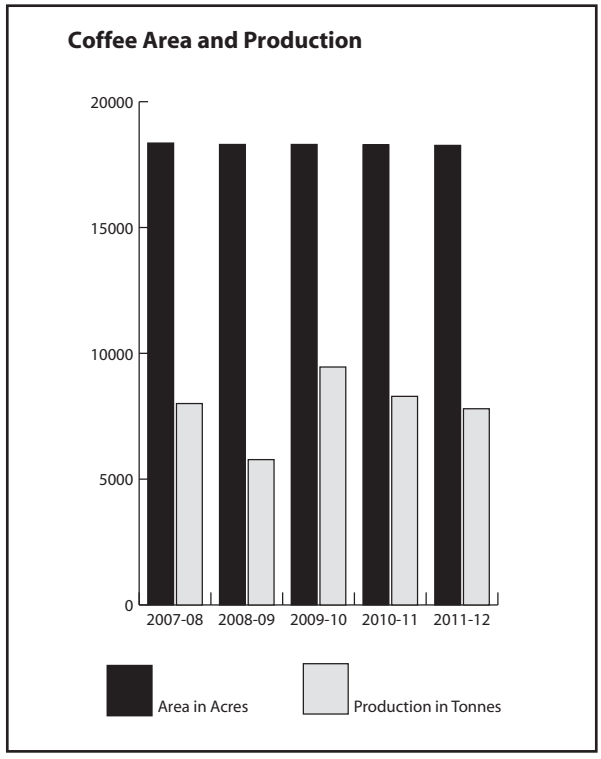
ACREAGE STATEMENT - 5 YEARS

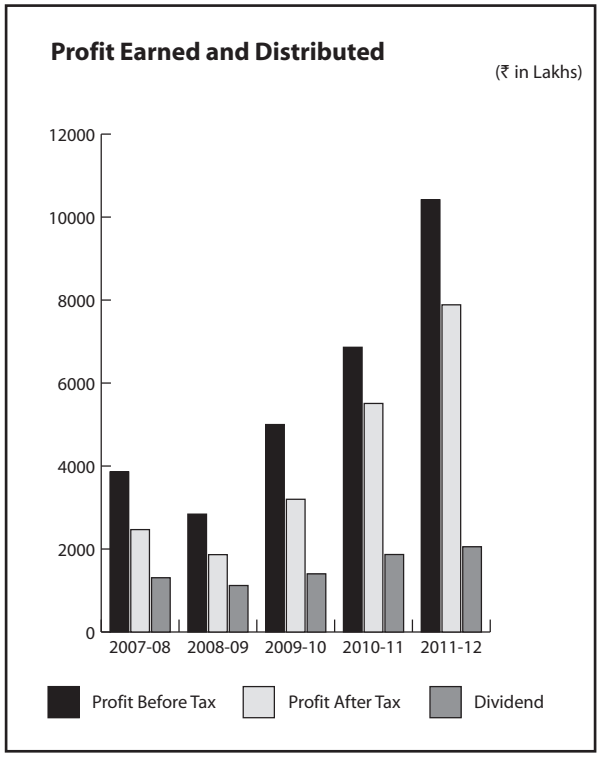
	2007-08	2008-09	2009-10	2010-11	**2011-12**	
	Acres				**Acres**	**Hectares**
COFFEE*						
Arabica	7489	7563	7539	7489	**7528**	**3048**
Robusta	10709	10651	10675	10709	**10649**	**4311**
Mixed Coffee	86	86	86	86	**86**	**35**
	18284	18300	18300	18284	**18263**	**7394**
TEA	6089	6089	6089	6089	**6089**	**2465**
OTHER CROPS						
Cardamom	429	496	504	429	**429**	**174**
Paddy	50	37	39	50	**41**	**17**
Pure Pepper/Areca	539	472	464	539	**523**	**212**
Oil Palm/ Bamboo/ etc.	103	99	95	103	**102**	**41**
TOTAL CULTIVATED AREA	**25494**	**25492**	**25492**	**25494**	**25447**	**10303**

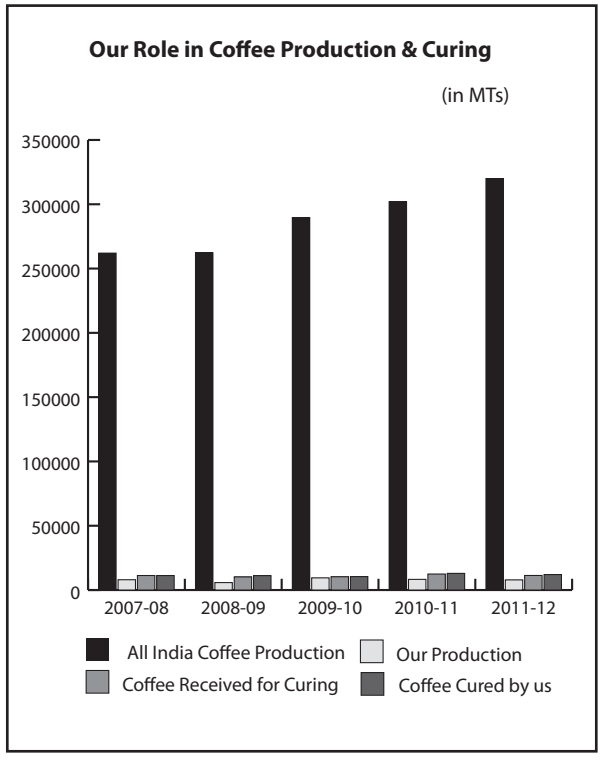
* Pepper interplanted in Coffee

TATA COFFEE LIMITED









DIRECTORS REPORT

Your Directors are pleased to submit their Report together with the Audited Statement of Accounts for the year ended 31st March, 2012.

		2011/12 ₹ in Lakhs		2010/11 ₹ in Lakhs
Profit from Operations before Other Income & Interest		**9503.76**		4182.41
Add: Other Income		**805.43**		2640.39
Operating profit before Interest		**10309.19**		6822.80
Less: Interest		**732.02**		1026.22
		9577.17		5796.58
Add: Exceptional Income		**838.57**		1065.60
Profit Before Tax		**10415.74**		6862.18
Provision for Tax: Current Year	**2811.80**		1477.00	
Deferred Tax	**(281.34)**		(123.28)	
		2530.46		1353.72
Profit After Tax		**7885.28**		5508.46
Add: Surplus brought forward from Previous Year		**4585.04**		1420.09
Amount available for appropriation		**12470.32**		6928.55
General Reserve No. I	**792.03**		550.84	
General Reserve No. II	**365.45**		311.17	
Debenture Redemption Reserve A/c	**(1060.99)**	**96.49**	(692.80)	169.21
Dividends				
Interim Dividend	**-**		933.85	
Final (Proposed)	**2054.47**		933.85	
Tax on Dividend	**333.29**	**2387.76**	306.60	2174.30
Balance carried forward		**9986.07**		4585.04

TURNOVER

Your Company's turnover during the year under review was ₹ 508.52 crores as compared to ₹ 400.73 crores in the previous year, registering an increase of 27% over last year.

PROFITS

Profit from Operations before 'Other income and interest' for the year ended 31st March, 2012, stood at ₹ 95.04 crores as against ₹ 41.82 crores in the previous year, reflecting an increase of 127%. Profit before Tax at ₹ 104.16 crores vis-à-vis ₹ 68.62 crores in the previous year reflects an increase of 52%. Profit after Tax in 2011-12 stood at ₹ 78.85 crores as against ₹ 55.08 crores in the previous year.

DIVIDEND

Your Directors have recommended a dividend of ₹ 11/- per share aggregating to ₹ 2054.47 lakhs for the year 2011-12. The Dividend Tax amounts to ₹ 333.29 lakhs.