



August 10, 2016

Bombay Stock Exchange Ltd.
Corporate Relationship Dept.
1st Floor, New Trading Wing
Rotunda Building, PJ Towers
Dalal Street
Mumbai 400 001
Scrip Code - 500800

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051
Scrip Code – TATAGLOBAL

The Secretary
Calcutta Stock Exchange Asscn. Ltd.
7 Lyons Range
Kolkata 700 001
Scrip Code – 10000027 (Demat)
27 (Physical)

National Stock Exchange of India Ltd.
Wholesale Debt. Market Segment
Exchange Plaza, Plot No. C/1, G Block
Bandra Kurla Complex
Mumbai 400 051

Dear Sirs,

Further to our letter dated 01 August, 2016 we enclose herewith a copy of the Presentation made at the Analyst's Meet held on 9th August, 2016 between 5.00 p.m. and 6.25 p.m.

A copy of the same is also uploaded on the Company's website www.tataglobalbeverages.com.

This is for your information and records.

Yours faithfully,
For **Tata Global Beverages Limited**



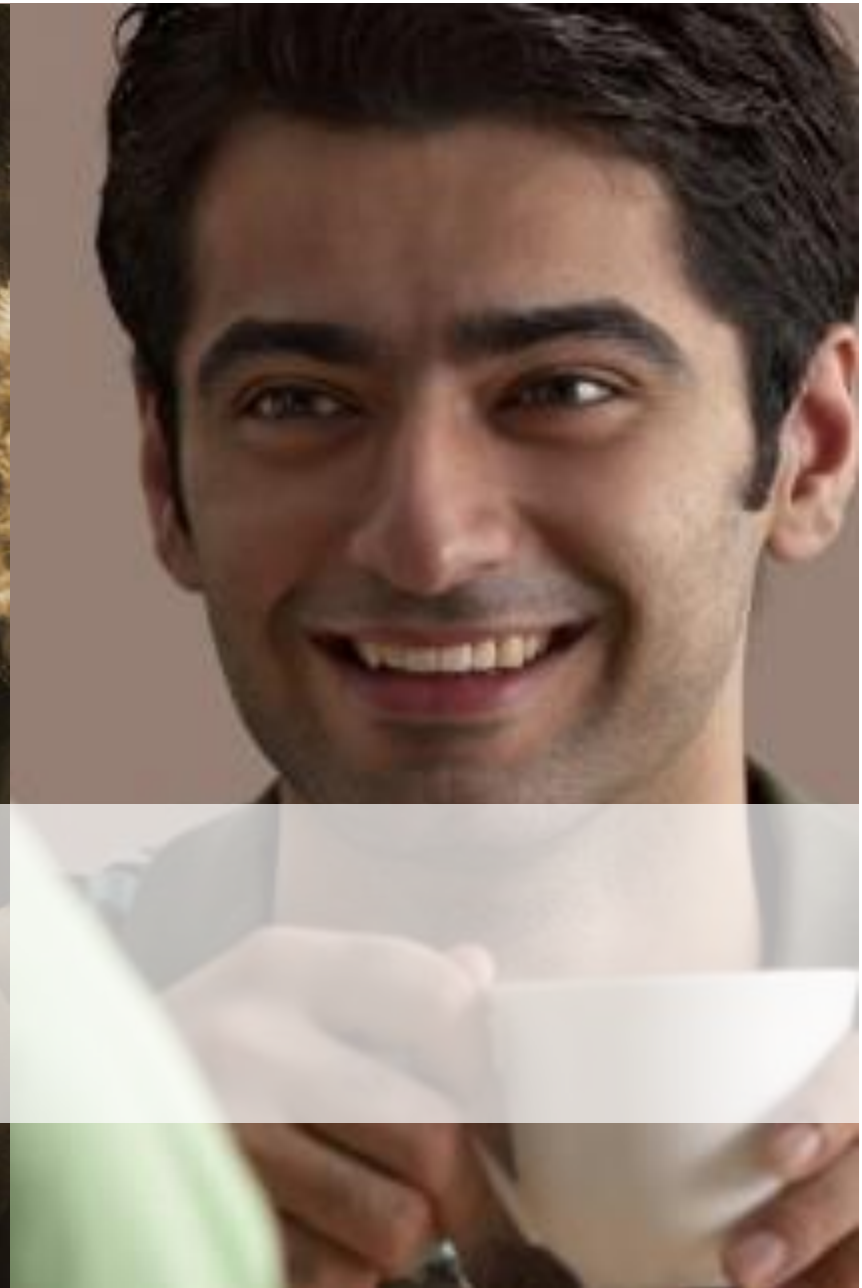
(V. Madan)
Vice President & Company Secretary



Encl. : as above

TATA GLOBAL BEVERAGES LIMITED

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Tel 91 22 6636 6700 Fax 91 22 6636 6727
Registered Office 1 Bishop Lefroy Road Kolkata 700 020
Corporate Identity Number (CIN) L 15491WB1962PLC031425
e mail investor.relations@tgbl.com
website www.tataglobalbeverages.com



Analyst Meet
August 9, 2016



Agenda

1. Q1 FY2016-17 – BUSINESS PERFORMANCE

2. FINANCIAL OVERVIEW



Q1FY 16-17 BUSINESS PERFORMANCE

Key Highlights for the Quarter



➤ Good performance during the quarter

- Improvement in top-line
- Higher operating performance

Despite

- continuing competitive intensity in developed markets

➤ Commodity costs

- Softness prevails in India tea prices whilst kenya tea prices are showing a declining trend
- Coffee Costs – lower than previous highs

➤ Phasing of initiatives and good control on spends

➤ Currency Markets

- no material impact on published financials despite volatile currency markets

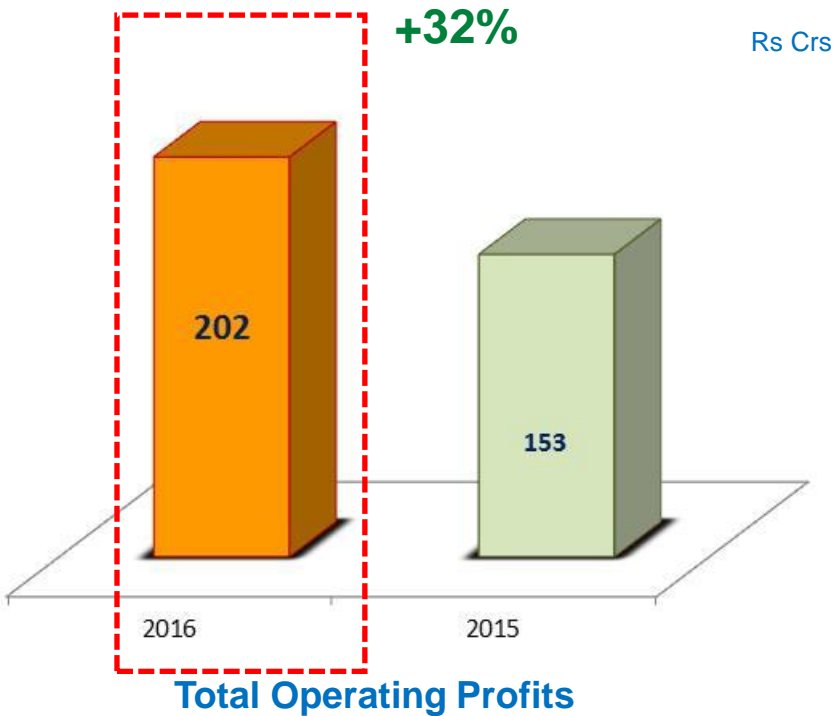
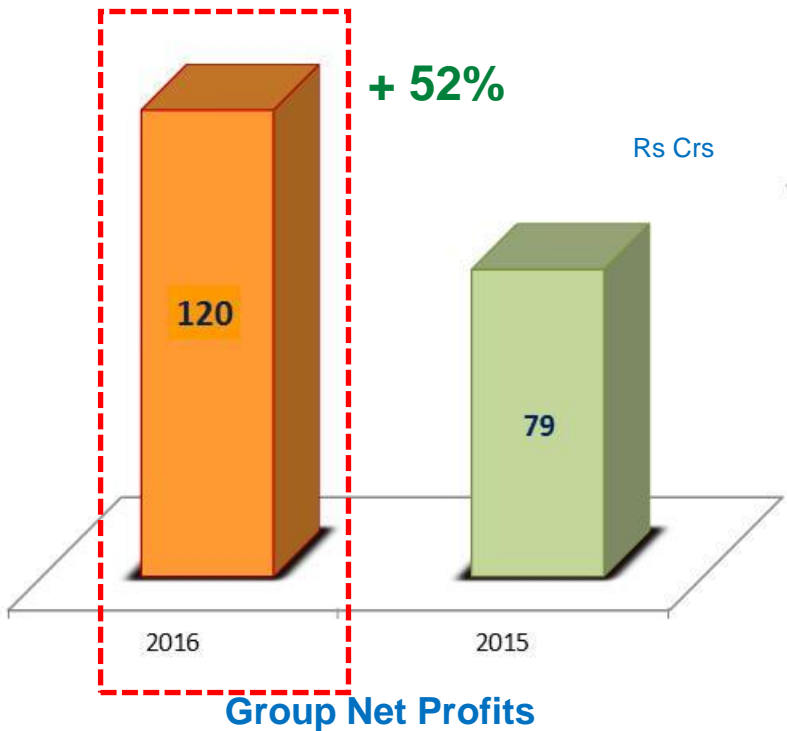
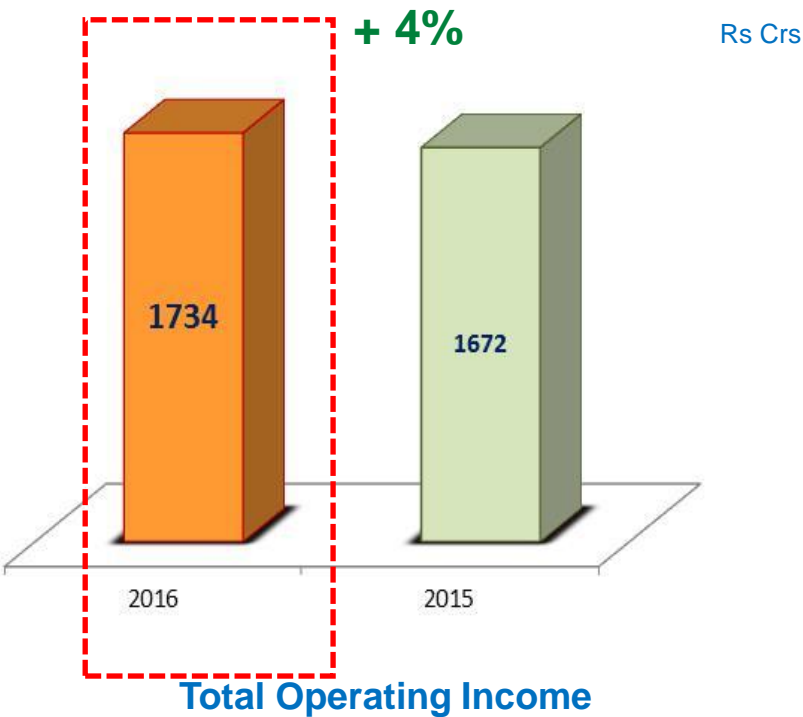
➤ Brexit

- Translation impact in balance sheet and topline
- Could have some potential long term implications depending on how it develops

➤ Financials reported for the first time under IND (AS)



Snapshot of financials



Performance Update – Branded Business



➤ INDIA

- Maintains volume and value leadership across Black & Green Tea.
- Good volume growth
- Effective management of commodity cost.
- Growth in Green tea bags.

➤ UK

- Despite a declining market and continuing competitive intensity, Tetley has marginally grown market shares on a YTD basis.
- Significant share growth in Black Decaff
- Green Tea business continue to improve aided by improvement in Super Green Tea
- Launch of Super Black variants.

Performance Update – Branded Business



➤ USA

- Strong Performance by US coffee in Q1
 - Good Topline growth
 - Good improvement in operating profits
- Launched infusions and Brazilian Breakfast coffee
- Tetley Green Tea reflects modest growth despite decline in category.

➤ Canada

- Maintains volume and value leadership

➤ Rest of EMEA

- Stable performance in some European markets
- Good topline performance in Russia in underlying currency.

Performance Update – Non Branded Business



- **Spectacular performance by Tata Coffee Ltd reflecting increase in Operating Income as well as Operating Profit**
- **Instant Coffee**
 - Improvement in coffee extraction business driven by volume improvement.
- **Instant Tea**
 - Instant tea business reflects a stable topline performance with good improvements in operating profit.
 - China business yet to stabilize.
- **Plantations**
 - Improvements in tea plantation attributable to price increases and improved volume sales.
 - Stable performance in coffee plantations.

Performance Update – Incubatory businesses



➤ Middle East

- Focus on drawstring bags with advertisement support in TV, outdoor and digital space
- Successful promotions in 6 GCC countries.

➤ Australia - Earth Rules Pty Ltd (MAP)

- Modest Topline performance

➤ Starbucks JV

- Topline growth with good store-level profitability
- Expansion to continue – new cities, new formats

➤ Nourishco

- Double digit growth continues for Tata Gluco Plus.
- Himalayan demonstrated good growth in traditional trade, e commerce and key accounts

A close-up photograph of a young woman with long brown hair, smiling broadly and showing her teeth. She is holding a large white ceramic mug with both hands. The background is a plain, light-colored wall.

FINANCIAL OVERVIEW

Financial Overview



➤ Operating income increase by 4% (3% in underlying currency)

- Improvements in Branded Business – US, India and Russia
 - Improved non-branded business performance - Coffee extraction and tea plantation
- Offset by
- Volume shortfalls in some developed markets

➤ Operating profits higher than prior year (+32%)

- Improved performance in Branded Business in some markets
- Lower commodity costs
- Phasing of initiatives and good control over spends
- Improved performance in Non Branded Business

➤ Group net profit significantly improves over prior year (+52%)

- Improved operating performance
- Higher investment income

Financial Highlights - PL



Particulars (In Rs crores)	Quarter ending June'2016		
	Actual	PY	Variance
Total Operating Income	1734	1672	62
EBIT	202	153	49
Other Income	21	13	8
Finance Cost	(22)	(21)	(1)
Profit Before Exceptional Items	201	145	56
Exceptional Items	(2)	(3)	1
Profit Before Tax	200	142	58
Tax	(73)	(56)	(17)
Profit After Tax	126	86	40
Share of Profit from JVs & Associates	(7)	(7)	0
Consolidated Group Profit	120	79	41
Earning Per Share (Rs)	1.64	1.15	

Financial Highlights - OCI



Particulars (In Rs crores)	Quarter ending June'2016		
	Actual	PY	Variance
Group Net Profit	120	79	41
Other Comprehensive Income	(149)	265	(414)
Total Comprehensive income	(29)	344	(373)

➤ Other comprehensive income mainly represents

- Impact of fair value of Investments, Cash flow hedges, Actuarial Gain/Loss on employee benefits and Foreign Currency Translation Reserve (FCTR)
 - ❑ Actuarial Gain/Loss on employee benefits in overseas entities , FCTR and Cash Flow Hedges were being reflected under reserves in IGAAP.
 - ❑ Actuarial Gain/ Loss on Employee benefits for Indian entities has been reflected under OCI under IND(AS) as opposed to taking it to Statement of Profit & Loss as per IGAAP.
 - ❑ Fair value accounting of Investments has been introduced under IND(AS) principles.

➤ Current year movement is mainly due to GBP depreciation against the Re where as previous year the movement is mainly due to GBP appreciation against the Re.

Region-wise Income from Operations



Particulars (In Rs Crores)	Quarter ending June'2016		
	Actual	PY	Variance
CAA	369	332	37
EMEA	381	396	(15)
India Brands	763	747	16
Total Brands	1,513	1,475	38
Total Non Branded Operations	233	199	34
Other and Eliminations	(12)	(2)	(10)
TOTAL OPERATING INCOME	1,734	1,672	62

Segment



Particulars (In Rs Crores)	Segment Revenue		Segment Results		Capital Employed	
	June 16	June 15	June 16	June 15	June 16	June 15
Branded Business						
Tea	1213	1229	164	165	3553	3813
Coffee	297	246	55	22	1806	1705
Others	7	7	(3)	(5)	18	41
Total Branded Business	1516	1482	216	182	5377	5559
Non Branded Business	232	198	39	19	775	806
Less: Inter-segment Revenue	(14)	(8)				
Unallocated Segment			(55)	(59)	1044	1430
Total	1734	1672	200	142	7196	7795

- The group has organised its business into Branded Segment and Non Branded Segment.
 - Branded Segment is further sub-categorised as Branded Tea, Branded Coffee and the residual as Branded Others.
- Accordingly, the group has reported its segment results for these segments. This complies with Ind AS – 108 – Segment reporting principles, and is made effective from 1st April, 2016 and the previous quarter numbers have been regrouped/reclassified.

IND(AS) – Policy Choices



Electives adopted on transition to IND (AS)

➤ Plant Property and Equipment (PPE)

- To carry PPE at previous GAAP costs.

➤ Foreign Currency Transition Reserve (FCTR)

- Set to zero as at transition date

➤ Business Combination

- Not to re-account for past acquisition

➤ Investment in entities outside the group

- Fair value impact routed through OCI

➤ Investment in Subsidiary, Associates and JVs in standalone financials

- Not to fair-value the investment in Subsidiary, Associate and JV's – to carry at previous GAAP costs

IND(AS) – Reconciliation between IGAAP and IND(AS) representation for Q1 June 2015



Rs Crs		Adjustments under IND (AS)					
	IGAAP	Revenue	Equity Accounting of JV results	Agricultural Produce	Amortised cost adjustment on Long term borrowings	Others	IND(AS)
	Q1 2015						Q1 2015
Total Income from Operations (Net)	2,029	(199)	(158)				1,672
Profit from Operations	153	-	3	(8)	-	5	153
Group Consolidated Net Profit	91	-	(1)	(6)	(4)	(2)	79

- Expenditure adjusted with revenue based on the measurement principles of IND(AS), which were previously reflected as an expense as per IGAAP.
- Joint venture equity accounted as per IND(AS) as opposed to proportionate consolidation under IGAAP.
- Fair valuation of agricultural produce as per IND(AS)
- Recognition of finance cost under effective interest rate method for redemption premium on debentures, which was adjusted to reserves under IGAAP.
- Other adjustments :
 - Actuarial gain/loss on employee benefits for Indian Companies accounted in Reserves
 - Expenditure on Bearer plants, now capitalised
 - IND(AS) transition adjustments of Associate entities
- Corresponding tax impact on the above as applicable



Thank you