



October 30, 2019

**The 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**

BSE Ltd.

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

**Calcutta Stock Exchange
Ltd.**

7 Lyons Range
Kolkata 700 001
Scrip Code– **10000027**
(Demat)
27 (Physical)

**Sub: Analysts Presentation – financial results for quarter and half year ended
September 30, 2019**

Dear Sir/Madam,

Further to our letter dated October 14, 2019, we enclose herewith a copy of the Presentation for the analysts/investors on the financial results for the quarter and half year ended September 30, 2019. A copy of the same will also be uploaded on the Company's website www.tataglobalbeverages.com

This is for your information and records.

Yours faithfully,

For **TATA GLOBAL BEVERAGES LIMITED**

Neelabja Chakrabarty
Vice-President & Company Secretary

Encl: a/a



TATA GLOBAL BEVERAGES LIMITED

11/13 Botawala Building 1st Floor Office No 2-6 Horniman Circle Fort Mumbai 400 001 India
Tel 91 22 6121 8400 Fax 91 22 6121 8499
Registered Office 1 Bishop Lefroy Road Kolkata 700 020
Corporate Identity Number - L15491WB1962PLC031425
e-mail investor.relations@tgbl.com
website www.tataglobalbeverages.com

TATA GLOBAL BEVERAGES

FLAVOURS OF GROWTH

INVESTOR PRESENTATION *for* Quarter ended September 2019



Disclaimer

Certain statements made in this presentation relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamity, currency rate changes, among others over which the Company does not have any direct control.

Agenda

**FLAVOURS
OF GROWTH**

1 Executive Summary

2 Business Profile

3 Performance at a Glance

4 Business Performance

5 M&A Update

6 Quarterly Financial Performance

7 Recognition

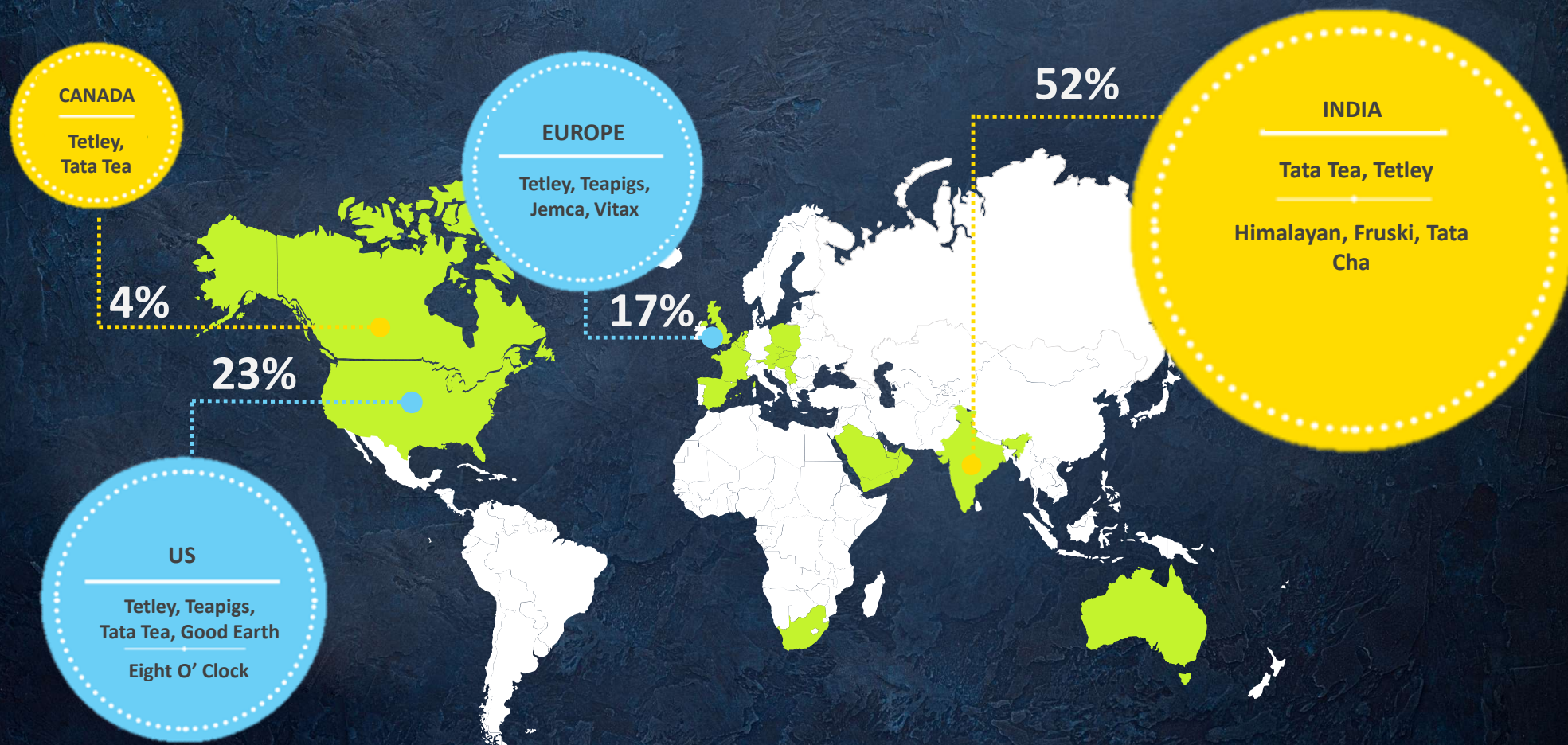
8 Sustainability Initiatives

Executive Summary

**FLAVOURS
OF GROWTH**

- 1 Consolidated Revenue grew by 4% to INR 1,834Cr (Q2) and by 5% to INR 3,731Cr (H1) with higher overall volume growth of 7% both in Q2 and H1 impacted by lower realisations with commodity price deflation
- 2 Consolidated EBITDA grew by 13% to INR 237 (Q2) and by 10% to INR 505Cr (H1) (EBITDA, excluding one time income in last year, is higher by 39% (Q2) and by 20% (H1))
- 3 Consolidated Net Profit, excluding one off items, is higher by 45% (Q2) and by 33% (H1)
- 4 India Branded Business grew by 8% in volume terms both in Q2 and H1
- 5 US Coffee grew 4% and Other International Businesses grew 2% in volume terms both in Q2 and H1
- 6 TGBL and TCL (Consumer Products Business) merger as per schedule
- 7 Acquisition of Branded Business of Dhunseri Tea completed successfully.

Consolidated Revenue: H1 - INR 3,731 Cr | Q2 – INR 1,834 Cr (Branded Business - 87%)



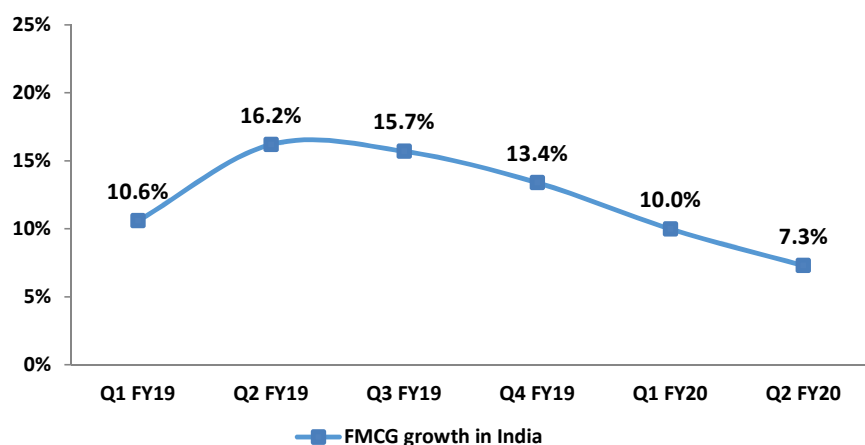
Non-Branded Business: H1 – INR 485 Cr | Q2 – INR 243 Cr (Tata Coffee - 85% and Others - 15%)

** Does not include inter-segmental eliminations*

Market Context

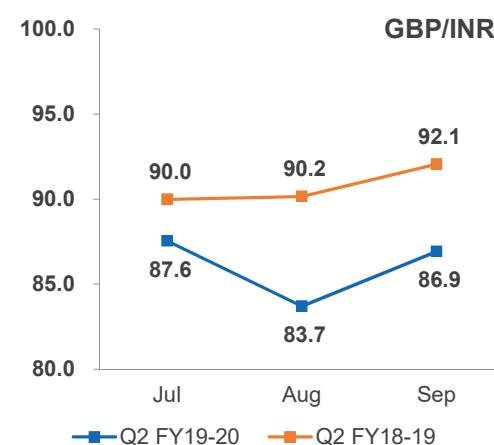
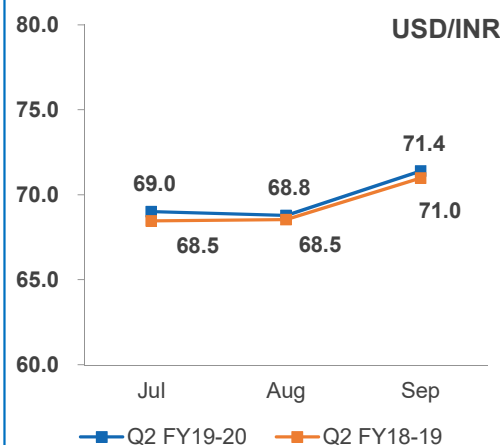
**FLAVOURS
OF GROWTH**

FMCG growth in India*



- FMCG growth in India slowing down owing to weakening rural demand (0.5x of Urban)
- India's GDP growth in Q1FY20 slowed down to 5% (5-year low)
- Household spending growth rate was significantly low at 3.1% for Q1FY20

Exchange rates



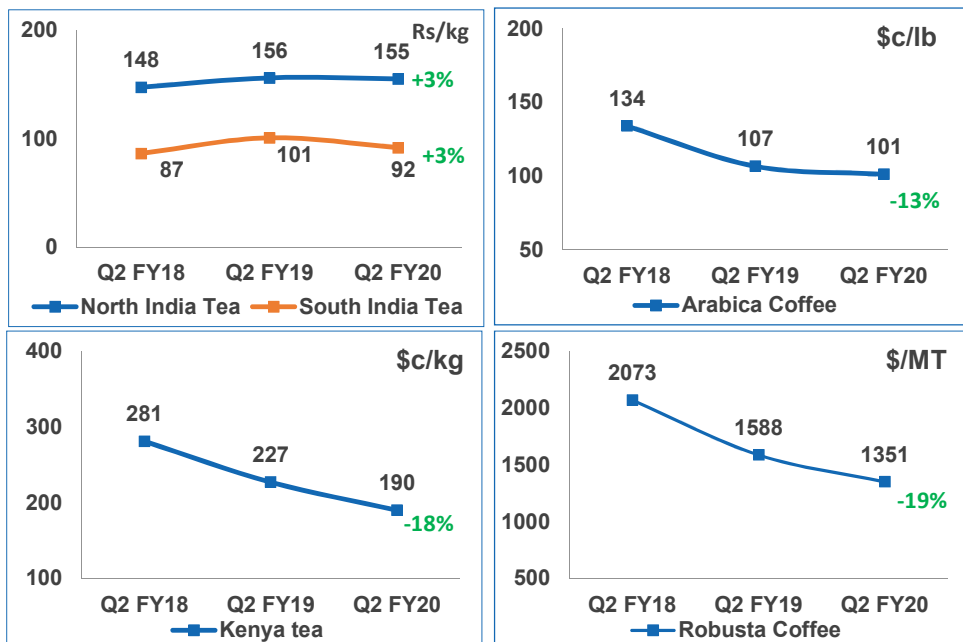
- In Q2, Rupee has appreciated against GBP by 5% (average) whereas depreciated against USD by 0.6% (average)
- Whilst there is uncertainty about the timing of BREXIT, it is highly unlikely that it will be a no-deal BREXIT

Market Context

FLAVOURS
OF GROWTH

2 years CAGR

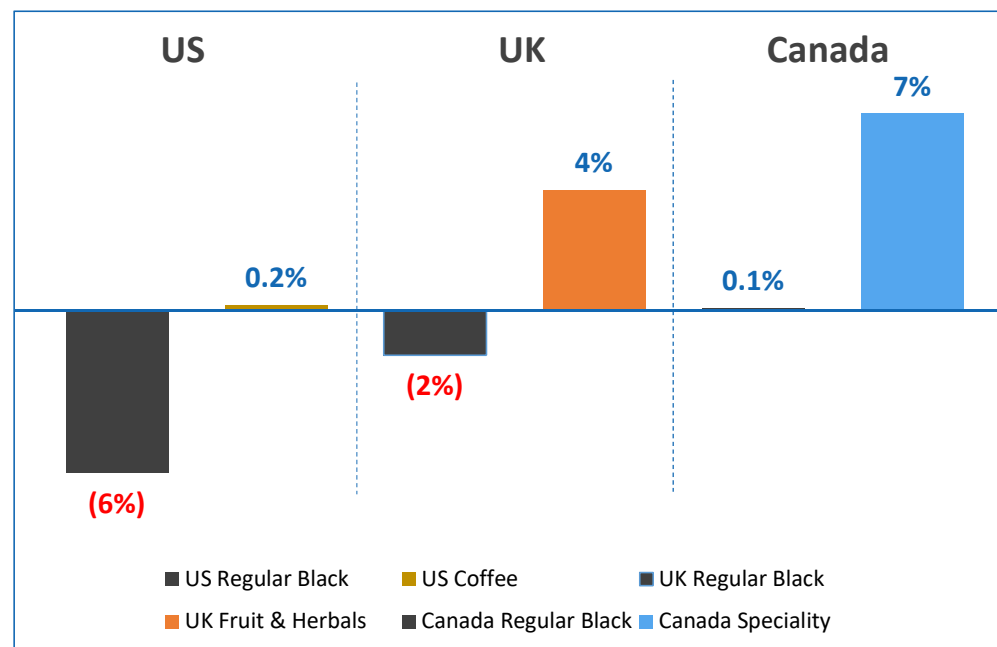
Commodity Costs#



- Tea prices in India continue to be benign as against declining Kenyan tea
- Coffee prices continue downward trend

#Source: North India and South India tea auction (Tea Board of India) | Mombasa tea auction (EATTA) | International Coffee Exchange

Category Growth Trends (MAT value)*



- Regular Black tea category declining or flat across key International markets. Growth led by Non-Black teas
- In India, both Black and Non-black tea are growing categories

TATA GLOBAL BEVERAGES

Source: *Nielsen - Moving Annual Total (MAT) basis

Performance at a Glance (Q2)

**FLAVOURS
OF GROWTH**

In INR Cr



INDIA



US Coffee



Other International
(UK, Canada and
Others)



Tata Coffee
(Subsidiary)



CONSOLIDATED

	INDIA	US Coffee	Other International (UK, Canada and Others)	Tata Coffee (Subsidiary)	CONSOLIDATED
Revenue	914	271	442	207	1,834
Revenue Growth [Underlying Growth]	8%	-3% [-3%]	-5% [-2%]	18%	4% [+5%]
Volume Growth [Branded]	8%	4%	2%		7%
Key Brands					



TATA GLOBAL BEVERAGES

Notes: a) Tata Coffee incl. Vietnam and excl. US Coffee (EOC)
b) Does not include inter-segmental eliminations



Business Performance

QUARTER ENDED SEPTEMBER 2019

India

**FLAVOURS
OF GROWTH**

GROWTH DRIVERS

+8%

Revenue
Growth

+8%

Volume
Growth

13.7%
(PY-11.6%)*

EBITDA
Margin

- Overall Tea sales grew 8% by value and volume in Q2
- Tata Tea Premium and Tata Tea Gold grew by high single digit in H1 and Q2 respectively
- Agni grew by double digits in Q2 as well as H1
- Spice Mix continues to deliver robust growth (>50%+)
- Lal Ghoda and Kala Ghoda brands incorporated under TGB from Aug 21.

OTHER UPDATES

- Successful media campaign at **IIFA 2019, Mumbai** followed by Web series with lead actors under Tata Tea Gold **#DilKiSuno** campaign initiated to engage with consumers
- New Kanan Devan TVC to build awareness against adulterated teas gaining popularity – ‘Pure and Natural’ campaign
- Special festive packs launched for Chakra Gold and Tata Tea Gold (in WB)



New Tulsi Green tea launched in North India



New Quick Chai Lite with 50% less sugar pilot in West India



Festive Packs:
Tata Tea Gold and Chakra Gold

GROWTH DRIVERS

- Tetley gained ~1%* value market share in a declining black hot tea category aided by promotions and increased distribution in the quarter
- Good Earth continue to maintain market share

OTHER UPDATES

- EOC bags volume grew while the revenue declined owing to higher promotion spends and increased competitive intensity
- K-cups volumes declined

US Coffee

-3%

Revenue Growth

+4%

Volume Growth



New Tetley Classic & Classic Decaf now available at Walmart



EOC Indulgence Bags launched in 4 flavors (online only)



Aggressive promotions to drive Good Earth Boutique sales

GROWTH DRIVERS

- Tetley growth in Discounters is offset by decline in other channels
- Teapigs' grows in online channels. Efforts to increase distribution in export markets.
- Tetley Cold Infusions market share is now >20%* of the category in UK

OTHER UPDATES

- Tetley Masterbrand relaunch campaign is gaining positive response on TV, Social media and Digital media platforms
- Green tea category continue the declining trend. Other Non-black tea segments growing
- Margin expansion with cost optimization.

17%*

Market share
(Value)

22%*

Market share
(Volume)



Tetley Masterbrand refresh -
New TVC [#NowWereTalking](#) (tagline)



Tea pigs is now B Corp Certified
(a global community committed to
using business as a force for good)



Cold Infusion: Event partnership to
enhance customer engagement

Canada

**FLAVOURS
OF GROWTH**

GROWTH DRIVERS

- Revenue growth mainly driven by Speciality teas
- Tetley Supers has achieved ~2%* of Specialty tea segment now (value share)
- Tetley maintaining its dominant leadership in regular black tea

OTHER UPDATES

- Tetley Regular tea facing headwinds
- Tetley Super Tea new TVC aired on National TV in this quarter.
- Each year Tetley contributes to Canadian Cancer Society. This year Tetley is supporting through a fan-selected 'pink pack'

29%*

Market share
(Value)

40%*

Market share
(Volume)



Super Tea Antiox won ChickAdvisor 2019 Reviewers' Choice Award



Super 2.0 new TVC garnering good response



Tetley 'Pink pack' for supporting breast cancer awareness month

Tata Coffee (incl. Vietnam)

**FLAVOURS
OF GROWTH**

GROWTH DRIVERS

- Growth on account of Instant coffee and Vietnam
- Higher Instant coffee volumes with strong performances in South East Asia and Europe
- Vietnam sales commenced. Initial orders across Europe and South East Asia

OTHER UPDATES

- Coffee prices softening globally (Refer to Slide no. 7)
- Profitability impacted by lower commodity prices and one time gains on sale of property in the previous year

207Cr

Revenue

+18%

Revenue
Growth

+20%

Volume
growth

12.4%

EBITDA
Margin



Tata Coffee awarded 'Best Indian Coffee' at 4th Ernesto Illy International Coffee Awards



TCL Employees volunteered for plastic waste collection to support Govt. of India's 'Swachhata Hi Seva' campaign

JV - Tata Starbucks

**FLAVOURS
OF GROWTH**

GROWTH DRIVERS

- 12 new stores opened this quarter
- Gujarat market opening with 5 stores in one day
- Food 3.0 roll out
- Strong focus on social media continue to drive consumer engagement and sales with campaigns like #ComedywithStarbucks

OTHER UPDATES

- Launched MyStarbucksMyWay app
- 100% single use plastic eliminated from consumables & in-store secondary packaging
- Customer connection scores at an all time high

26%

Revenue
Growth

163

Stores

10

Cities in India



Starbucks launched in Gujarat (Ahmedabad & Surat)



New Starbucks store in Ahmedabad, Gujarat



#BreakfastAtStarbucks @ Rs 399 promotion garnered good response

JV - NourishCo

**FLAVOURS
OF GROWTH**

GROWTH DRIVERS

+8%

Revenue
Growth

- Tata Gluco Plus (TGP) continue to show strong momentum in AP and Telangana aided by sustained media investment
- 'Conde Nast Traveler – Himalayan Sparkling Top Restaurant Awards' continue to build connect with F&B world collaborating with Tops Chefs and restaurants to create events that tell our 'Raw & Fine' story
- Tata water Plus PET continue robust growth with distribution expansion

OTHER UPDATES

- TGP listed in Indian railways (AP and Odisha)
- TGP Lychee flavour launched in Odisha, AP, Telangana, West Bengal and TN

+22%

TGP
Revenue
Growth



TGP Lychee flavor launched in Q2 getting good early response



The winner of Young Chefs contest gets a chance to visit and learn authentic flavors from Japan



'Swachhta Hi Seva hai' clean-up drive by employees collected 1957 Kgs Plastic

TATA GLOBAL BEVERAGES

Associate Companies- APPL & KDHP

**FLAVOURS
OF GROWTH**

APPL

- Good revenue growth of +7% achieved with improved average price realization over LY owing to a buoyant Orthodox tea market
- The realisation for CTC teas continues to be sluggish
- Profitability impacted due to increase in manpower costs
- Although Orthodox tea prices are buoyant, the risk of volatility remains owing to political scenario in Iran

KDHP

- Revenue growth of +25% due to higher average price realization and volumes (previous year adversely impacted by Kerala floods)
- Crop production impacted by adverse weather conditions
- Profitability for the quarter higher than last year however impacted by unexpected interim wage increase



Marketing Campaigns/Initiatives

**FLAVOURS
OF GROWTH**



Tata Tea Gold is the official brand partner for “IIFA 2019”
As part of #DilKiSuno campaign (*Listen to your Heart*), the brand gave its consumers a chance to witness the IIFA 2019, live in Mumbai!



Kanan Devan Pure & Natural campaign is trying to build awareness against adulterated teas and its harmful impacts by TVC and Press articles across publications.



Tetley Australia is launching Cold Infusions featuring popular comedian and actor **Celia Pacquola**

Tetley is targeting consumers who find drinking water boring and encouraging dehydrated Aussies to say 'Bye bye boring H2O, hello hydration'

M&A Update

FLAVOURS
OF GROWTH

Tata Chemicals Limited - Consumer Products Business

- Merger process is on track
- The Scheme had been filed by with SEBI and Stock Exchanges and the Company has received “No Adverse Observation Letters” from the Stock exchanges
- Consent of unsecured creditors (more than 90% in value) obtained. The Company does not have any secured creditor
- NCLT passed order dispensing Company with holding of creditors meeting and convening shareholder’s meeting on November 4, 2019
- Necessary proceedings for convening shareholder’s meeting on track



Dhunseri Tea & Industries Limited (DTIL) - Consumer Business

- Acquisition of Dhunseri Tea branded Business (“Lal Ghoda” and “Kala Ghoda”) completed on August 21, 2019



TATA GLOBAL BEVERAGES



Financial Performance

QUARTER ENDED SEPTEMBER 2019

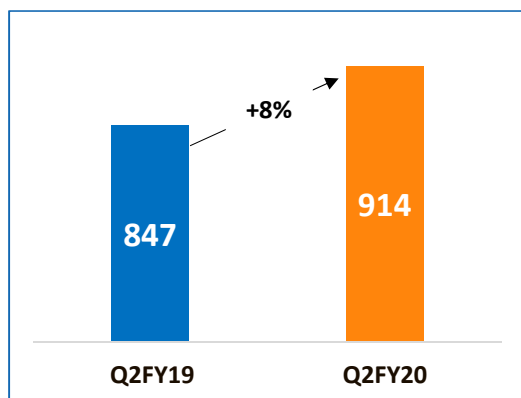
Highlights – Q2

**FLAVOURS
OF GROWTH**

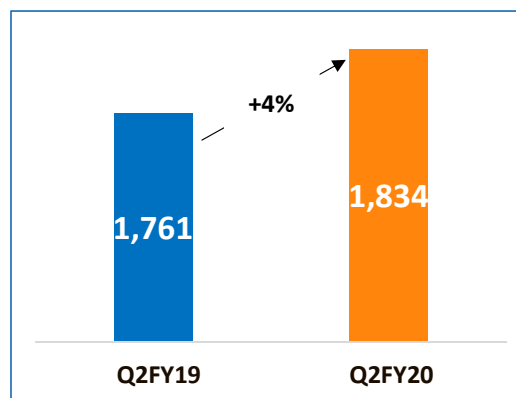
In INR Cr

REVENUE FROM OPERATIONS

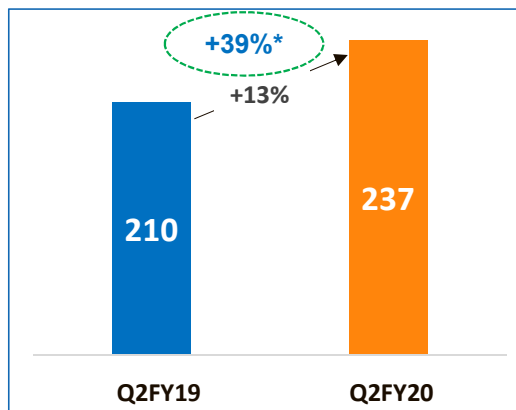
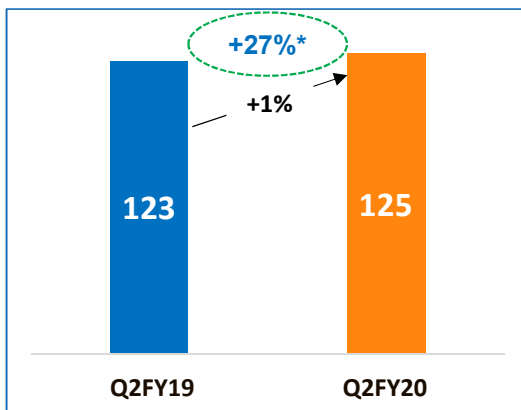
STANDALONE



CONSOLIDATED



EBITDA



TATA GLOBAL BEVERAGES

*growth excluding one time income in previous year of Rs 25 Cr (Standalone) and Rs 39 Cr (Consolidated)

REVENUE:

Group Revenue grew by 4% (+5% in constant currency terms)

India Business grows (Vol +8%; Value +8%)

International Business degrows - mainly US coffee and Australia partly offset by improvement in Europe

Tata Coffee incl. Vietnam +18% – higher volumes in instant coffee and commencement of Vietnam sales

EBITDA:

Group EBITDA, excluding one time income in previous year, grew by 39%

International Business profitability improves- mainly in US and Canada

India Business – profitability improves (excluding one-time income in PY) with favorable commodity

Tata Coffee – Marginal improvement, excluding one time gain on sale of property in last year.

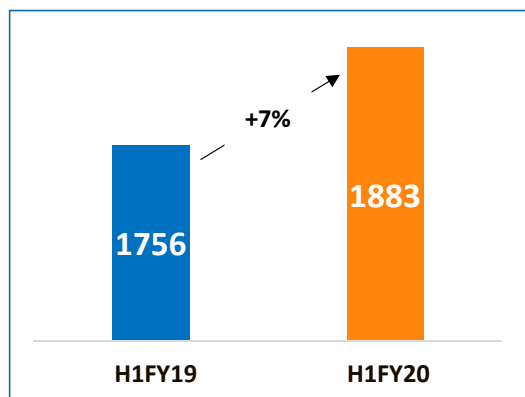
Highlights – H1

**FLAVOURS
OF GROWTH**

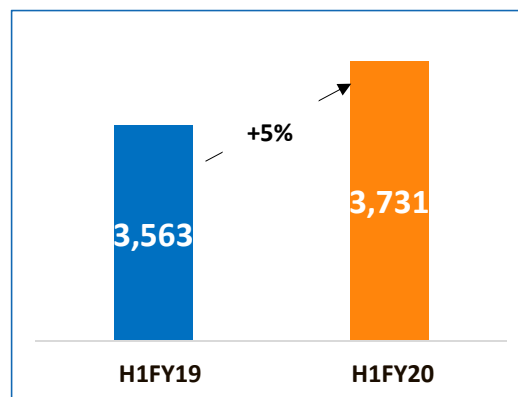
In INR Cr

**REVENUE FROM
OPERATIONS**

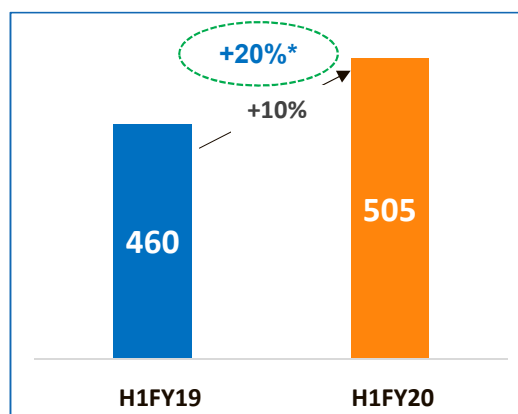
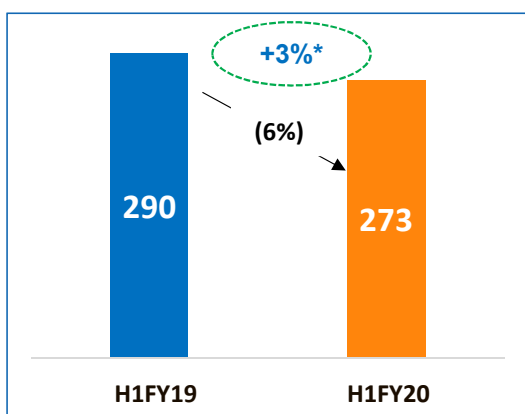
STANDALONE



CONSOLIDATED



EBITDA



*growth excluding one time income in previous year
of Rs 25 Cr (Standalone) and Rs 39 Cr (Consolidated)

REVENUE:

Group Revenue grew by 5%

India Business grows (Vol +8%; Value +7%)

International Business degrows -
mainly US coffee and Australia, partly offset by
improved performance in UK and Canada

Tata Coffee incl. Vietnam - higher volumes in
instant coffee and commencement of Vietnam sales

EBITDA:

Group EBITDA, excluding one time income in
previous year, grew by 20%

International Business profitability improves-
mainly in UK and US

India Business – Profitability improved (excluding
one-time income in PY) with favorable commodity
despite higher investment behind brands

Tata Coffee – Almost even, excluding one time gain
on sale of property in last year.

TATA GLOBAL BEVERAGES

Financials: Standalone

**FLAVOURS
OF GROWTH**

Quarter Ended September			PARTICULARS	YTD September		
Q2FY20	Q2FY19	Change%	INR Cr	H1 FY20	H1 FY19	Change%
914	847	8%	Revenue from operations	1,883	1,756	7%
125	123	1%	EBITDA	273	290	(6%)
13.7%	14.6%		%	14.5%	16.5%	
(2)	-		Exceptional items	(10)	-	
134	162	(17%)	PBT	292	378	(23%)
100	120	(17%)	PAT	206	268	(23%)
10.9%	14.2%		%	10.9%	15.3%	
125	98	27%	EBITDA (excluding one time income*)	273	265	3%
13.7%	11.6%		%	14.5%	15.1%	
134	137	(2%)	PBT (excluding one time income*)	292	353	(17%)
14.6%	16.2%		%	15.5%	20.1%	

*Other income includes one time income of Rs 25 Cr in Q2 and H1 of the previous year

Financials: Consolidated

**FLAVOURS
OF GROWTH**

Quarter Ended September			PARTICULARS	YTD September		
Q2FY20	Q2FY19	Change%	INR Cr	H1 FY20	H1 FY19	Change%
1,834	1,761	4%	Revenue from operations	3,731	3,563	5%
237	210	13%	EBITDA	505	460	10%
12.9%	11.9%		%	13.5%	12.9%	
(1)	(7)		Exceptional items	(10)	(25)	
192	189	1%	PBT	415	406	2%
143	125	14%	PAT	292	259	13%
7.8%	7.1%		%	7.8%	7.3%	
152	184	(17%)	Group Net Profit (incl. JVs & Associates)	294	312	(6%)
237	171	39%	EBITDA (excluding one time income*)	505	421	20%
12.9%	9.7%		%	13.5%	12.9%	
192	150	28%	PBT (excluding one time income*)	415	367	13%
10.5%	11.1%		%	11.1%	10.3%	
160	110	45%	Group Net Profit (excluding one off items)^	317	238	33%

*Other income includes one time income of Rs 39 Cr in Q2 and H1 of the previous year

^Excluding the impact of one-off items, deferred tax adjustments in Starbucks and one time impact of legislative tax changes in India

TATA GLOBAL BEVERAGES

Taxation update

Concessional Tax Rate – Impact on TGB

- Results for the quarter have been prepared giving effect to reduction in tax rates in India
 - Statutory Tax rate of 25% (Concessional tax rate) applied for India
 - Favourable impact of tax rate reduction in the India branded and Non-branded business
 - Offset by one time impact of reversals of MAT credits and Deferred tax assets in the India business and in joint ventures
- Net one time adverse impact of Rs 9 crores on Group Consolidated profits (in Q2 FY20)
- Beneficial impact of rate reduction will arise in subsequent quarters

Balance Sheet

**FLAVOURS
OF GROWTH**

PARTICULARS	Consolidated		
INR Cr	Sep'19	Sep'18	Mar'19
Total Equity	8,322	8,435	8,359
Goodwill	3,799	3,984	3,785
Fixed Assets	1,655	1,553	1,567
Lease assets (net)	(27)	-	
Working Capital	1,748	1,775	1,665
Operating Capital Employed	7,175	7,313	7,017
Other Non-operating Assets (mainly Investments)	647	591	622
Net (Debt)/Cash	499	531	721
Total	8,322	8,435	8,359
Total Debt/Equity	0.12	0.12	0.11
ROE % (PAT/Equity) – six months not annualized	3.5%	3.7%	5.5% (Annual)
ROCE % (EBIT/Operating CE) - six months not annualized	5.7%	5.5%	10.2% (Annual)
ROCE % (excluding Goodwill) - six months not annualized	12.2%	12.0%	22.1% (Annual)

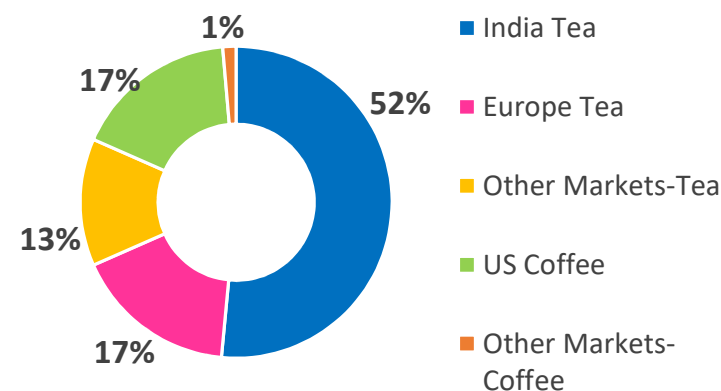
Segment-wise performance (Q2)

**FLAVOURS
OF GROWTH**

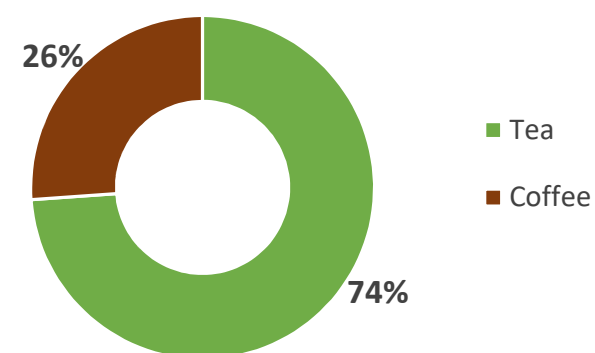
PARTICULARS INR Cr	REVENUE			RESULTS		
	Q2FY20	Q2FY19	Change%	Q2FY20	Q2FY19	Change%
Branded Business						
Tea	1,300	1,248	4%	164	165*	(1%)
Coffee	293	303	(4%)	58	38	52%
Others	7	6	10%	(4)	(7)	
Total Branded Business	1,599	1,558	3%	218	197	11%
Non Branded Business	242	210	16%	15	10	51%
Less: Inter-segment Revenue	(7)	(7)				
Unallocated expense (net)				(41)	(18)*	
Total	1,834	1,761	4%	192	189	1%

*includes one time income in Q2 of the previous year as mentioned earlier

BRANDED BUSINESS REVENUE



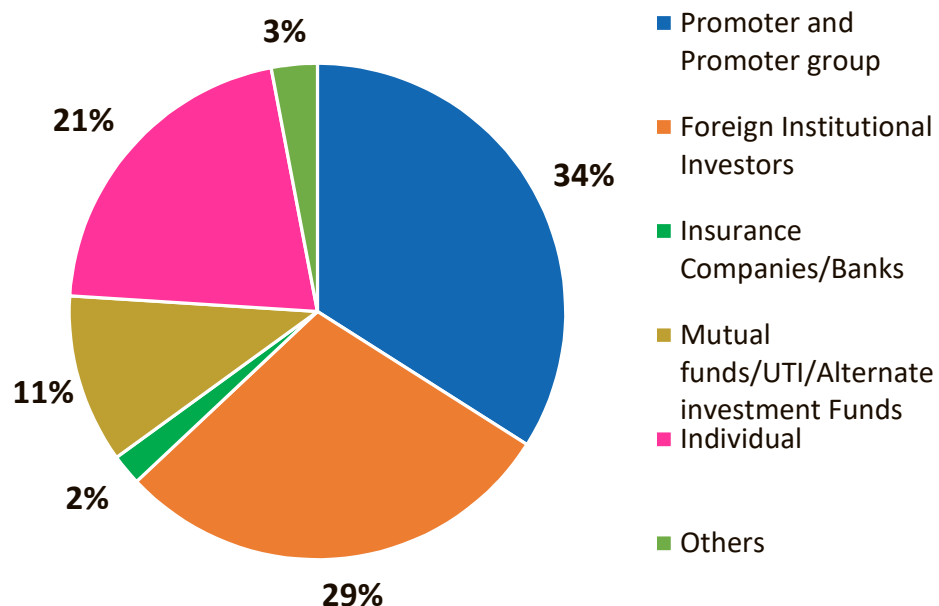
BRANDED BUSINESS RESULTS



Shareholding Pattern

**FLAVOURS
OF GROWTH**

SHAREHOLDING PATTERN - September 2019



STOCK DATA

BSE Ticker	500800
NSE Ticker	TATAGLOBAL
Market Capitalization (As of 30 Sep, 2019)	INR 178bn
3- month Return % (As of 30 Sep, 2019)	+11%
Number of Shares Outstanding	631.13 Mn

Recognition

**FLAVOURS
OF GROWTH**

MANUFACTURING



Indore Packaging Centre won the prestigious 'Golden Peacock National Quality Award 2018-19'

WORKPLACE



Tata Starbucks awarded as the winners of 'India's 100 Best Companies to Work For 2019'

SUSTAINABILITY



Tata Coffee awarded 'Best Indian Coffee' at 4th Ernesto Illy International Coffee Awards

PRODUCT



Teapigs has won 14 Great Taste Awards 2019 and 6 Tetley products won 6 Gold stars

CSR



DARE School recognised as one of the Best Special Educational Schools in Brainfeed School Excellence Awards 2018

ADVERTISING



Tata Tea "Jaago Re" received 4 EMVIES from The Advertising Club Bombay

Sustainability Initiatives

**FLAVOURS
OF GROWTH**

TGBL joined UK Plastics Pact with commitment to 100% reusable, recyclable, compostable plastic packaging by 2025



For More Information

**FLAVOURS
OF GROWTH**

Visit our website: <http://www.tataglobalbeverages.com>



Contact Us:

Rakesh Sony

rakesh.sony@tgbl.com

+91 22 6121 8400

Ibrahim Lodhger

ibrahim.lodhger@tgbl.com

+91 80 6717 1200

Satya Muniasamy

satya.muniasamy@tgbl.com

+91 80 6717 1200

Write to us at:

investor.relations@tgbl.com