



Tata Global Beverages Limited

Registered Office: 1 Bishop Lefroy Road Kolkata-700020

CIN - L15491WB1962PLC031425, Email : investor.relations@tgbh.com, Website : www.tataglobalbeverages.com

Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2019

Rs in Crores

Particulars	Three months ended			Year to Date ended		Year Ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	1834.06	1897.13	1760.87	3731.19	3563.46	7251.50
Other Income	25.29	30.53	70.79	55.82	99.31	157.13
Total Income	1859.35	1927.66	1831.66	3787.01	3662.77	7408.63
Cost of Materials Consumed	857.27	832.48	842.00	1689.75	1619.36	3294.18
Purchase of stock in trade	174.62	164.13	174.86	338.75	389.55	727.87
Changes in inventories of finished goods, work in progress and stock in trade	(21.63)	60.66	(18.85)	39.03	(30.54)	(14.41)
Employee Benefits Expense	199.00	202.10	194.95	401.10	398.15	806.30
Finance Costs	20.07	18.24	11.47	38.31	24.04	52.47
Depreciation and Amortisation Expense	46.82	46.00	30.48	92.82	59.97	122.57
Advertisement and Sales charges	136.69	108.36	144.65	245.05	262.70	547.52
Other Expenses	253.46	264.60	256.61	518.06	508.82	1104.13
Total Expenses	1666.30	1696.57	1636.17	3362.87	3232.05	6640.63
Profit before Exceptional Items and Tax	193.05	231.09	195.49	424.14	430.72	768.00
Exceptional Items (Net)	(1.50)	(8.06)	(6.72)	(9.56)	(24.90)	(33.29)
Profit before Tax	191.55	223.03	188.77	414.58	405.82	734.71
Tax Expense						
Current tax	(32.17)	(72.78)	(54.56)	(104.95)	(134.82)	(256.03)
Deferred tax	(16.15)	(1.14)	(9.12)	(17.29)	(12.31)	(4.85)
Total Tax Expense (Net)	(48.32)	(73.92)	(63.68)	(122.24)	(147.13)	(260.88)
Net Profit after Tax	143.23	149.11	125.09	292.34	258.69	473.83
Share of net profit/(loss) in Associates and Joint Ventures using equity method	9.24	(7.43)	58.87	1.81	53.41	(16.85)
Group Consolidated Net Profit (A)	152.47	141.68	183.96	294.15	312.10	456.98
Attributable to :						
Owners of the Parent	137.74	125.33	169.73	263.07	285.97	408.19
Non Controlling Interest	14.73	16.35	14.23	31.08	26.13	48.79
Other Comprehensive Income						
<i>i) Items that will not be reclassified to profit or loss</i>						
Remeasurement of the defined benefit plans	20.75	(3.86)	20.00	16.89	52.80	86.47
Changes in fair valuation of equity instruments	(4.25)	4.04	(2.11)	(0.21)	0.95	(5.20)
	16.50	0.18	17.89	16.68	53.75	81.27
Tax impact on above items	(4.78)	2.61	(3.12)	(2.17)	(10.04)	(13.27)
	11.72	2.79	14.77	14.51	43.71	68.00
<i>ii) Items that will be reclassified to profit or loss</i>						
Exchange differences on translation of foreign operations	30.88	(90.61)	267.83	(59.73)	267.70	17.04
Gains/(loss) on effective portion of cash flow hedges	(24.06)	22.92	(21.81)	(1.14)	(20.98)	(12.06)
	6.82	(67.69)	246.02	(60.87)	246.72	4.98
Tax impact on above items	4.63	(5.67)	6.01	(1.04)	7.38	0.88
	11.45	(73.36)	252.03	(61.91)	254.10	5.86
Total Other Comprehensive Income (B)	23.17	(70.57)	266.80	(47.40)	297.81	73.86
Attributable to :						
Owners of the Parent	21.40	(57.80)	227.33	(36.40)	258.96	70.58
Non Controlling Interest	1.77	(12.77)	39.47	(11.00)	38.85	3.28
Total Comprehensive Income (A+B)	175.64	71.11	450.76	246.75	609.91	530.84
Attributable to :						
Owners of the Parent	159.14	67.53	397.06	226.67	544.93	478.77
Non Controlling Interest	16.50	3.58	53.70	20.08	64.98	52.07
Paid-up equity share capital (Face value of Re 1 each)	63.11	63.11	63.11	63.11	63.11	63.11
Reserves excluding Revaluation Reserve						7246.72
Earnings per share (Basic & Diluted) (not annualised for the period) - Rs	2.18	1.99	2.69	4.17	4.53	6.47

Notes:

1. (a) For the quarter, Revenue from operations increased by 4% driven by improvements in both branded and non-branded business. At constant currency revenue growth is 5%. Profit before taxes, excluding one-off items included under Other Income in the prior year, is higher by 28%. Improvement is driven by branded business, both India and International, coupled with stable performance in non-branded businesses. Further, during the quarter, tax has been provided for, wherever applicable, at the reduced rate in accordance with the Taxation Laws (Amendment) Ordinance, 2019. The one time impact of the tax rate change on the Group Consolidated Net Profit of the current quarter is a charge of Rs 9 Crores, arising mainly on account of reversal of opening net deferred tax assets (inclusive of impact referred to in note b below).

(b) Share of profits in Associates and JV's for the current quarter includes a charge of Rs 14 Crores due to reversal of opening deferred tax assets as a result of reduced tax rate whereas the quarter ended 30th September 2018 had a credit of Rs 37 Crores on recognition of deferred tax assets in a Joint Venture.

(c) Group Consolidation Net Profit, excluding the impact of one off items as explained above, is higher by 45% as compared to corresponding quarter of the previous year.
2. a) The Board of Directors of the Holding Company in its meeting held on May 15, 2019, as a part of business reorganisation, had approved the scheme of merger of consumer product business of Tata Chemicals Limited with the Company in terms of a scheme of arrangement under Section 230-232 and other applicable provisions of the Companies Act, 2013. The appointed date of the scheme is April 1, 2019. The Scheme would become effective after receipt of all requisite statutory and NCLT approvals, including shareholders' approval. The results of the said business will be included in the consolidated results, with effect from the appointed date, on receipt of all requisite approvals.

b) The Holding Company during the current quarter completed the acquisition of the branded tea business of Dhunseri Tea and Industries Limited.
3. Exceptional item for the current quarter represent costs relating to the proposed scheme of merger and acquisition (Refer Note 2). Exceptional items for the corresponding quarter of the previous year represent redundancy costs relating to internal restructure.
4. Share of profits/(loss) in Associates and Joint Ventures include the profits of an Associate operating in North India plantations, which are seasonal in nature.
5. Effective April 1, 2019, the Group has adopted Ind AS 116 – Leases and applied the revised standard to all lease contracts thereby capitalising assets taken on operating lease existing on April 1, 2019, using the modified retrospective method, with the cumulative adjustment to retained earnings. Accordingly, comparatives for the year ended March 31, 2019 have not been restated. On transition, the cumulative effect of applying the standard resulted in Rs 63 Crores being debited to retained earnings, net of taxes.
6. The Consolidated Statement of Assets and Liabilities as at September 30, 2019 and Consolidated Cash Flow Statement for the period ended September 30, 2019 is annexed.
7. Previous period's figures have been regrouped / rearranged, to the extent necessary, to conform to current period's classifications.
8. The aforementioned results were reviewed by the Audit Committee of the Board on October 29, 2019 and subsequently taken on record by the Board of Directors at its Meeting held on October 30, 2019. The Statutory Auditors of the Company have conducted limited review on these results.

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9. The Consolidated and Standalone result for the quarter and six months ended September 30, 2019 are available on the BSE website (URL: www.bseindia.com), the National Stock Exchange website (URL: www.nseindia.com) and on the Company's website (URL: www.tataglobalbeverages.com).

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018



Sanjiv V. Pilgaonkar
Partner
Membership No. 039826
Mumbai: October 30, 2019



Ajoy Misra
Managing Director and CEO



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Unaudited Consolidated Segment wise Revenue, Results, Assets and Liabilities for the quarter and six months ended September 30, 2019

Rs in Crores

Particulars	Three months ended			Year to Date ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue						
Branded Business						
(a) Tea	1299.72	1372.63	1248.22	2672.35	2562.53	5202.59
(b) Coffee	292.53	283.02	303.47	575.55	595.13	1202.84
(c) Others	7.00	6.04	6.36	13.04	16.52	30.77
Total Branded Business	1599.25	1661.69	1558.05	3260.94	3174.18	6436.20
Non Branded Business	242.23	242.92	209.66	485.15	402.51	842.47
Total Segment Revenue	1841.48	1904.61	1767.71	3746.09	3576.69	7278.67
Less: Inter segment Sales	(7.42)	(7.48)	(6.84)	(14.90)	(13.23)	(27.17)
Revenue from Operations	1834.06	1897.13	1760.87	3731.19	3563.46	7251.50
Segment Results						
Branded Business						
(a) Tea	163.52	197.63	165.01	361.15	375.03	694.38
(b) Coffee	57.81	50.89	38.14	108.70	81.64	178.33
(c) Others	(3.61)	(3.30)	(6.51)	(6.91)	(10.26)	(21.22)
Total Branded Business	217.72	245.22	196.64	462.94	446.41	851.49
Non Branded Business	15.18	20.55	10.06	35.73	27.76	41.58
Total Segment Results	232.90	265.77	206.70	498.67	474.17	893.07
Add/Less						
Finance Cost	(20.07)	(18.24)	(11.47)	(38.31)	(24.04)	(52.47)
Unallocable items	(21.28)	(24.50)	(6.46)	(45.78)	(44.31)	(105.89)
Profit Before Tax	191.55	223.03	188.77	414.58	405.82	734.71
Segment Assets						
Branded Business						
(a) Tea	5013.36	4606.71	4965.22	5013.36	4965.22	4683.26
(b) Coffee	1948.23	1907.18	2022.07	1948.23	2022.07	1846.10
(c) Others	41.44	36.10	41.39	41.44	41.39	30.31
Total Branded Business	7003.03	6549.99	7028.68	7003.03	7028.68	6559.67
Non Branded Business	1540.06	1541.49	1426.49	1540.06	1426.49	1483.92
Total Segment Assets	8543.09	8091.48	8455.17	8543.09	8455.17	8043.59
Unallocable Corporate Assets	2851.39	2968.15	2890.27	2851.39	2890.27	2895.13
Total Assets	11394.48	11059.63	11345.44	11394.48	11345.44	10938.72
Segment Liabilities						
Branded Business						
(a) Tea	977.30	913.28	811.48	977.30	811.48	722.98
(b) Coffee	274.42	230.01	216.17	274.42	216.17	155.39
(c) Others	14.02	12.57	11.05	14.02	11.05	7.87
Total Branded Business	1265.74	1155.86	1038.70	1265.74	1038.70	886.24
Non Branded Business	161.29	155.34	183.22	161.29	183.22	169.88
Total Segment Liabilities	1427.03	1311.20	1221.92	1427.03	1221.92	1056.12
Unallocable Corporate Liabilities	1645.48	1595.83	1689.02	1645.48	1689.02	1523.23
Total Liabilities	3072.51	2907.03	2910.94	3072.51	2910.94	2579.35

Notes:

- The group has organised 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.
- Business Segments: The internal business segmentation and the activities encompassed therein are as follows:
 - Branded Business -
 - Branded Tea : Sale of branded tea and various value added forms
 - Branded Coffee : Sale of coffee in various value added forms
 - Branded Others : Sale of water products
 - Non Branded Business - Plantation and Extraction business for Tea, Coffee and other produce.
- The segment wise revenue, results, assets and liabilities figures relate to the respective amounts directly identifiable to each of the segments. Unallocable items includes expenses incurred on common services at the corporate level, unallocable other income and exceptional items.

Ajoy Misra
(Managing Director and CEO)

Mumbai: October 30, 2019



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Unaudited Consolidated Statement of Assets and Liabilities as at September 30, 2019

	Rs in Crores	
	As at September 30, 2019	As at March 31, 2019
	Unaudited	Audited
ASSETS		
Non-Current Assets		
Property Plant and Equipment	1174.02	808.80
Capital Work in Progress	61.94	413.30
Investment Property	51.15	51.60
Right of Use Assets	253.98	-
Goodwill	3799.33	3785.07
Other Intangible Assets	350.74	267.84
Intangible Assets under Development	6.08	11.11
Investments accounted for using Equity method	307.93	287.60
Financial Assets		
Investments	316.27	316.90
Loans	20.11	17.09
Other Financial Assets	28.46	28.62
Deferred Tax Assets (Net)	60.78	58.04
Non-current Tax Assets (net)	52.77	86.26
Other Non Current Assets	266.84	258.52
	6750.40	6390.75
Current Assets		
Inventories	1628.55	1609.86
Financial Assets		
Investments	280.93	583.16
Trade Receivables	848.21	680.55
Cash and Cash Equivalent	934.89	967.02
Other Bank balances	355.28	66.59
Loans	162.06	245.01
Other Financial Assets	139.21	131.40
Current Tax Assets (net)	2.55	2.38
Other Current Assets	257.60	224.83
	4609.28	4510.80
Assets of disposal group	34.80	37.17
TOTAL ASSETS	11394.48	10938.72
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	63.11	63.11
Other Equity	7241.75	7268.58
Equity attributable to the equity holders of the company	7304.86	7331.69
Non Controlling Interest	1017.11	1027.68
Total Equity	8321.97	8359.37
Non-Current Liabilities		
Financial Liabilities		
Borrowings	804.46	787.24
Lease Liability	233.46	-
Other Financial Liabilities	8.75	7.61
Provisions	163.32	152.21
Deferred Tax Liabilities (Net)	158.48	145.45
Non Current Tax Liabilities	15.52	16.90
	1383.99	1109.41
Current Liabilities		
Financial Liabilities		
Borrowings	417.40	329.66
Lease Liability	47.60	-
Trade Payables		
Total outstanding dues of Micro enterprises and Small enterprises	3.23	4.23
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	757.39	660.67
Other Financial Liabilities	287.31	304.77
Other Current Liabilities	85.74	81.38
Provisions	49.44	49.51
Current Tax Liabilities (net)	26.05	27.95
	1674.16	1458.17
Liabilities of disposal group	14.36	11.77
TOTAL EQUITY AND LIABILITIES	11394.48	10938.72



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Unaudited Consolidated Statement of Cash Flows for the six months ended September 30, 2019

		Rs in Crores	
Particulars	September 30, 2019	September 30, 2018	
A. Cash Flow from Operating Activities			
Net Profit before Tax	414.58	405.82	
Adjusted for :			
Depreciation and amortisation	92.82	59.97	
Finance Cost	38.31	24.04	
Dividend Income	(3.24)	(3.89)	
Profit on sale of current investments (net)	(18.06)	(11.84)	
Fair value movement in Financial instruments at fair value through profit and loss	(1.24)	(11.40)	
Interest Income	(27.81)	(27.13)	
Unrealised foreign exchange (gain) / loss	(1.83)	(3.49)	
Impairment loss recognised in trade receivables	0.12	0.44	
Other non operating income	(1.83)	(25.21)	
(Profit) / Loss on sale of Property, Plant & Equipment including investment property (net)	0.03	(13.96)	
Rental Income from Investment Property	(1.21)	(1.02)	
Operating Profit before working capital changes	490.64	392.33	
Adjustments for:			
Trade Receivables & Other Assets	(159.58)	(274.77)	
Inventories	(21.96)	(208.21)	
Trade payables & Other Liabilities	22.37	42.21	
Cash generated from /(used in) operations	331.47	(48.44)	
Direct taxes paid	(73.39)	(55.68)	
Net Cash from /(used in) Operating Activities	258.08	(104.12)	
B. Cash Flow from Investing Activities			
Payment for Property, Plant and Equipment including Intangibles	(89.67)	(164.09)	
Sale of Property, Plant and Equipment	1.75	22.03	
Acquisition of Business	(101.01)	-	
Rental Income from Investment Property	1.21	1.02	
Purchase of Non-Current Investments	(0.16)	-	
Investments in Joint Ventures	(53.00)	(17.00)	
(Purchase) / Sale of Current Investments (net)	321.27	258.78	
Dividend Income received (including dividend from associates & JVs)	4.73	5.14	
Interest Income received	15.01	23.27	
(Placement) / Redemption Fixed deposits (net)	(288.00)	220.00	
Inter Corporate Loans and Deposits (net)	86.04	(23.26)	
Net cash from /(used in) Investing Activities	(101.83)	325.89	
C. Cash Flow from Financing Activities			
Proceeds / (Repayment) from Long term borrowings (net)	(2.24)	89.23	
Availment / (Repayment) of short term borrowings (net)	76.24	(3.01)	
Payment of Lease Liabilities	(19.10)	-	
Dividend & Dividend Tax paid	(216.06)	(215.33)	
Finance Cost paid	(34.28)	(20.44)	
Net Cash used in Financing Activities	(195.44)	(149.55)	
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	(39.19)	72.22	
Opening balance of Cash & Cash Equivalent	737.48	698.17	
Exchange Gain/ (Loss) on translation of foreign currency cash/cash equivalents	(8.13)	8.19	
Closing Cash & Cash Equivalent	690.16	778.58	
Reconciliation with Balance Sheet			
Cash and Cash Equivalents	690.16	778.58	
Add : Bank Overdraft	244.73	242.27	
Less : Cash and Cash Equivalents relating to disposal group	-	-	
Balance at the end of the period	934.89	1020.85	