

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF TATA GLOBAL BEVERAGES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **TATA GLOBAL BEVERAGES LIMITED** (the "Company"), for the quarter and nine months ended December 31, 2019 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (the "ICAI"). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sanjiv V. Pilgaonkar
Partner

(Membership No. 039826)

Place: Mumbai
Date: February 04, 2020

UDIN: 20039826 AAAAA W2833



Tata Global Beverages Limited

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Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2019

Rs. in Crores

Particulars	Three months ended			Year to date ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2019	2019	2018	2019	2018	2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	932.50	914.14	889.73	2815.46	2645.61	3429.66
Other Income	22.22	32.53	21.85	93.15	155.90	182.51
Total Income	954.72	946.67	911.58	2908.61	2801.51	3612.17
Cost of materials consumed	550.59	547.20	562.67	1629.93	1555.11	2055.97
Purchase of stock-in-trade	19.32	13.10	4.81	38.92	15.40	23.65
Changes in inventories of finished goods, work-in-progress & stock-in-trade	(21.05)	(3.59)	(27.59)	41.39	31.01	0.16
Employees benefits expense	58.59	57.75	55.99	172.57	167.18	216.85
Finance costs	6.26	5.57	3.56	17.32	9.94	13.18
Depreciation and amortisation expense	17.11	15.34	7.91	46.13	22.95	31.68
Advertisement and sales charges	78.22	70.66	54.62	198.61	163.70	226.55
Other expenses	118.46	105.33	125.25	335.09	334.00	468.21
Total Expenses	827.50	811.36	787.22	2479.96	2299.29	3036.25
Profit before Exceptional Items and Tax	127.22	135.31	124.36	428.65	502.22	575.92
Exceptional Items (Net)	(0.84)	(1.50)	-	(10.40)	-	-
Profit before Tax	126.38	133.81	124.36	418.25	502.22	575.92
Tax Expense						
Current Tax	(33.30)	(13.28)	(35.13)	(101.09)	(137.03)	(160.57)
Deferred Tax	1.14	(20.83)	0.43	(17.14)	(7.52)	(4.42)
Total Tax Expense (net of reversals)	(32.16)	(34.11)	(34.70)	(118.23)	(144.55)	(164.99)
Net Profit after Tax (A)	94.22	99.70	89.66	300.02	357.67	410.93
Other Comprehensive Income						
<i>i) Items that will not be reclassified to profit or loss</i>						
Remeasurement of defined benefit plans	(2.56)	(5.47)	(13.45)	(18.62)	(6.09)	4.67
Changes in fair valuation of equity instruments	5.38	(3.69)	3.92	5.17	4.63	(3.77)
Tax impact of above items	2.82	(9.16)	(9.53)	(13.45)	(1.46)	0.90
	0.64	(0.31)	4.70	4.03	2.13	(1.80)
	3.46	(9.47)	(4.83)	(9.42)	0.67	(0.90)
<i>ii) Items that will be reclassified to profit or loss</i>						
Gains/(loss) on effective portion of cash flow hedges	(2.20)	(2.78)	8.11	(4.86)	2.70	4.23
Tax impact of above item	0.57	0.92	(2.83)	1.45	(0.94)	(1.48)
	(1.63)	(1.86)	5.28	(3.41)	1.76	2.75
Other Comprehensive Income (Net of tax) (B)	1.83	(11.33)	0.45	(12.83)	2.43	1.85
Total Comprehensive Income (A+B)	96.05	88.37	90.11	287.19	360.10	412.78
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 Reserves						4358.71
Earnings per share (Basic & Diluted) (not annualised for the quarter and year to date) - Rs.	1.49	1.58	1.42	4.75	5.67	6.51

Notes:

1. For the quarter, Revenue from Operations at Rs. 933 crores increased by 5% over corresponding quarter of the previous year led by India branded business which saw a volume growth of 7% and value growth of 6%. Profit before Exceptional Items and Taxes at Rs. 127 crores is higher as compared to corresponding quarter of previous year led by volume increase and benefit of lower commodity costs partly offset by increased spends behind brands. Consequently Profit after Tax is higher than corresponding quarter of the previous year.
2. The Board of Directors and Shareholders of Tata Global Beverages Limited (the "Company") at their respective meetings held on May 15, 2019 and November 4, 2019, had approved the Scheme of Arrangement (the "Scheme"), which provided for the demerger of the Consumer Product Business ("CPB") of Tata Chemicals Limited (TCL) from that entity and the transfer thereof to the Company as a going concern, for a consideration, to be discharged by the allotment of 114 equity shares in the Company for every 100 shares held in TCL, as of the Record Date. The Hon'ble National Company Law Tribunal ("NCLT"), Kolkata Bench, has by its order dated January 8, 2020 (the "Order") sanctioned the Scheme.

The Scheme will become effective on completion of various activities, the last of which is filing of the certified copies of the NCLT orders for the TCL and the Company with the respective Registrars of Companies, as provided in the Scheme.

The Board of Directors of the Company at its meeting held today has, inter alia, taken on record the certified copy of the Order and has also formed a Special Committee of the Board for the purpose of fixation of Record Date and oversee other aspects related to the compliance with the terms of the Scheme and the Implementation Agreement dated May 15, 2019, including the allotment of shares.

The acquisition of the CPB, on the scheme becoming effective, is expected to be accounted in the books of the Company during the fourth quarter of this financial year, with effect from the appointed date of 1st April 2019, as per the provisions of the Scheme, the Implementation Agreement and Ind AS 103, Business Combinations, including fair valuation of identified assets acquired and liabilities assumed and amortization of relevant assets.

3. Exceptional item for the current quarter represent costs relating to the Scheme referred to in Note 2, above.
4. The Company has organised its business into Branded Segment and Non Branded Segment. Branded Segment is further categorised as Branded Tea, Branded Coffee and the residual as Branded Others. As per the threshold limits prescribed under Indian Accounting Standard (Ind AS-108) on "Segment Reporting", the Company's reportable activity falls within a single business segment and hence, the segment disclosure requirements are not applicable.
5. Effective April 1, 2019, the Company 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 adjustments 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 15 cores being debited to retained earnings, net of taxes.

6. Previous period's figures have been regrouped / rearranged, to the extent necessary, to conform to current period's classifications.
7. The aforementioned results were reviewed by the Audit Committee of the Board on February 04, 2020 and subsequently taken on record by the Board of Directors at its meeting held on February 04, 2020. The Statutory Auditors of the Company have conducted limited review on these results.

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: February 04, 2020



Ajoy Misra
Managing Director and CEO