



## Tata Global Beverages Limited

Registered Office: 1 Bishop Lefroy Road Kolkata-700020

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

### Consolidated Financial Results for the quarter and year ended March 31, 2017

Rs in Crores

Particulars	Unaudited Three months ended			Audited Year ended	
	March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016
Revenue from Operations	1674.26	1743.86	1598.35	6779.55	6636.54
Other Income	16.82	14.30	26.34	83.10	82.00
<b>Total Income</b>	<b>1691.08</b>	<b>1758.16</b>	<b>1624.69</b>	<b>6862.65</b>	<b>6718.54</b>
Cost of Materials Consumed	791.52	848.47	789.19	3205.82	3312.52
Purchase of stock in trade	117.18	114.26	74.70	356.44	288.97
Changes in inventories of finished goods, work in progress and stock in trade	(77.45)	(28.18)	(18.47)	(0.69)	20.11
Employee Benefits Expense	213.21	204.33	198.99	834.95	805.06
Finance Costs	24.77	21.57	44.43	91.53	116.90
Depreciation and Amortisation Expenses	31.20	31.08	24.61	126.04	116.79
Advertisement and Sales charges	165.86	179.10	134.00	584.65	577.52
Other Expenses	285.03	241.89	259.89	1007.25	978.03
<b>Total Expenses</b>	<b>1551.32</b>	<b>1612.52</b>	<b>1507.34</b>	<b>6205.99</b>	<b>6215.90</b>
<b>Profit before Exceptional Items and Tax</b>	<b>139.76</b>	<b>145.64</b>	<b>117.35</b>	<b>656.66</b>	<b>502.64</b>
Exceptional Items (Net)	(42.50)	49.54	(314.76)	5.30	(332.88)
<b>Profit before Tax</b>	<b>97.26</b>	<b>195.18</b>	<b>(197.41)</b>	<b>661.96</b>	<b>169.76</b>
<b>Tax Expense</b>	<b>(12.90)</b>	<b>(50.32)</b>	<b>(52.22)</b>	<b>(198.31)</b>	<b>(200.01)</b>
<b>Net Profit after Tax</b>	<b>84.36</b>	<b>144.86</b>	<b>(249.63)</b>	<b>463.65</b>	<b>(30.25)</b>
Share of net profit/(loss) in Associates and Joint Ventures using equity method	(33.24)	(0.32)	(19.27)	(8.85)	(6.84)
<b>GROUP CONSOLIDATED NET PROFIT (A)</b>	<b>51.12</b>	<b>144.54</b>	<b>(268.90)</b>	<b>454.80</b>	<b>(37.09)</b>
<b>Attributable to :</b>					
Owners of the Parent	31.41	127.63	(216.07)	389.44	(5.52)
Non Controlling Interest	19.71	16.91	(52.83)	65.36	(31.57)
<b>Other Comprehensive Income</b>					
<i>i) Items that will not be reclassified to profit and loss</i>					
Remeasurement of the defined benefit plan	30.96	15.52	(28.23)	10.24	(51.49)
Changes in fair valuation of equity instruments	112.46	(26.62)	(46.63)	259.37	(137.10)
	143.42	(11.10)	(74.86)	269.61	(188.59)
<i>ii) Items that will be reclassified to profit and loss</i>					
Exchange differences on translation of foreign operations	(144.98)	66.12	(58.83)	(567.36)	150.49
Gains/(loss) on Effective portion of cash flow hedges	8.36	(18.70)	(4.48)	19.78	(9.14)
	(136.62)	47.42	(63.31)	(547.58)	141.35
<b>Total Other Comprehensive Income, net of tax (B)</b>	<b>6.80</b>	<b>36.32</b>	<b>(138.17)</b>	<b>(277.97)</b>	<b>(47.24)</b>
<b>Attributable to :</b>					
Owners of the Parent	20.59	42.23	(129.10)	(198.83)	(67.16)
Non Controlling Interest	(13.79)	(5.91)	(9.07)	(79.14)	19.92
<b>Total Comprehensive Income (A+B)</b>	<b>57.92</b>	<b>180.86</b>	<b>(407.07)</b>	<b>176.83</b>	<b>(84.33)</b>
<b>Attributable to :</b>					
Owners of the Parent	52.00	169.86	(345.17)	190.61	(72.68)
Non Controlling Interest	5.92	11.00	(61.90)	(13.78)	(11.65)
Paid-up equity share capital (Face value of Re 1 each)	63.11	63.11	63.11	63.11	63.11
Reserves excluding Revaluation Reserve				6180.53	6162.20
Earnings per share (Basic & Diluted) (not annualised for the quarter) - Rs	0.50	2.02	(3.42)	6.17	(0.09)



**Notes:**

1. The Company has adopted, Indian Accounting Standards (Ind AS) from April 1, 2016. Financial results of all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS.
2. (a) For the quarter, Income from operations at Rs 1674 Crores increased by 5% as compared to corresponding quarter of the previous year. At previous year exchange rate the increase is 7%. For the year, income from operations at Rs 6780 Crores increased by 2% as compared to the corresponding year. At previous year exchange rate the increase is 3%.  
For the quarter, Profit from operations at Rs 148 Crores is higher by 9% as compared to the corresponding quarter of the previous year despite higher advertising spends. For the year, profit from operations at Rs 665 Crores is higher by 24%. The improvements in operating profits reflect higher sales, good cost management and lower commodity costs.

Reconciliation of Profit before tax and exceptional items to Profit from operations is given below:

Rs in Crores	Three months ended			Year ended	
	March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016
Profit before Exceptional Items and Tax	139.76	145.64	117.35	656.66	502.64
Less : Other income	(16.82)	(14.30)	(26.34)	(83.10)	(82.00)
Add : Finance cost	24.77	21.57	44.43	91.53	116.90
Profit from Operations	147.71	152.91	135.44	665.09	537.54

Group Consolidated net profit for the quarter as well for the year record significant growth due to improved operating performance and lower level of exceptional expenditure.

(b) Profit after tax of the previous year as well as of the corresponding quarter of the previous year as reported under previous GAAP had profit from sale of equity investments of Rs 327.79 Crores, which under Ind AS have been accounted under retained earnings.

3. The financial results includes following under Exceptional items:

Particulars	Three months ended		Year ended	
	March 31 2017	March 31 2016	March 31 2017	March 31 2016
Gain on conversion of a Joint Venture into a subsidiary*	-	-	50	-
Impairment of intangible / other assets**	(27)	(288)	(27)	(288)
Reorganisation and Restructuring cost	(9)	(9)	(11)	(19)
Loss on assets held for sale ***	(7)	-	(7)	-
Acquisition related expenditure	-	(13)	-	(13)
Provision for retrospective amendment of legislation relating to employee benefits	-	-	-	(5)
Levy relating to past demerged business	-	-	-	(3)
Other exceptional items	-	(5)	-	(5)
Income / (Expenditure)(net)	(43)	(315)	5	(333)

\* Represent a gain, based on fair valuation, determined as per Ind AS 103 – Business Combinations, arising out of the conversion of an overseas joint venture to a subsidiary pursuant to amendments in the operating agreement.

\*\* Represents non-cash impairment loss mainly on goodwill relating to branded business in Australia. While the Group is actively pursuing various growth opportunities, the accounting impairment has been recognised due to factors like decline in category growth rate and higher competitive intensity.

\*\*\* Represent write down of net assets, relating to a business in East Europe, classified as held for sale.

4. (a) Reconciliation between consolidated financial results for the quarter and year ended March 31, 2016, as previously reported referred to as previous GAAP and Ind AS are as under:

For the Quarter Rs in Crores	Previous GAAP	Adjustments under Ind AS						Ind AS
	March 31, 2016	Revenue (Note i)	Equity Accounting of JV results	Fair valuation of Agricultural Produce	Effective interest method for debenture redemption premium	Profit on sale of equity investments (Note ii)	Others (Note iii)	March 31, 2016
Revenue from Operations	1965.57	(209.73)	(147.49)	-	-	-	(10.00)	1598.35
Profit from Operations	132.15	-	1.41	(5.88)	-	-	7.76	135.44
Group Consolidated Net Profit before Minority interest	85.04	-	(0.20)	(5.88)	(4.32)	(327.79)	(15.75)	(268.90)

Year ended Rs in Crores	Previous GAAP	Adjustments under Ind AS						Ind AS
	March 31, 2016	Revenue (Note i)	Equity Accounting of JV results	Fair Valuation of Agricultural Produce	Effective interest method for debenture redemption premium	Profit on sale of equity investments (Note ii)	Others (Note iii)	March 31, 2016
Revenue from Operations	8110.51	(843.48)	(620.49)	-	-	-	(10.00)	6636.54
Profit from Operations	531.73	-	10.71	(32.45)	-	-	28.25	537.54
Group Consolidated Net Profit before Minority interest	333.63	-	(1.90)	(24.73)	(16.48)	(327.79)	0.18	(37.09)

Note i – Expenditure required to be offset from sales on account of measurement criteria for Revenue.

Note ii – Profit on sale of equity investments is de-recognized, as these instruments are fair valued at period ends under Ind AS and profit or loss recognised under Other comprehensive income.

Note iii – Others mainly include expenditure capitalised, depreciation & amortisation adjustments and impact on the results of Associates mainly on account of fair valuation of agricultural produce.

- (c) Equity reconciliation as at March 31, 2016 and March 31, 2015:

Rs in Crores	Note	Year Ended	
		March 31, 2016	March 31, 2015
Equity as per previous GAAP		6599.61	6367.73
Fair value of equity instrument	(a)	336.23	801.57
Reversal of proposed dividend including tax	(b)	186.99	186.99
Others		(13.89)	18.71
Total Transition Adjustments		509.33	1007.27
Equity as per Ind AS		7108.94	7375.00

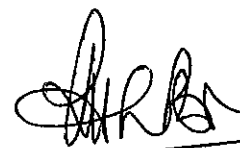
Note (a): Under Ind AS, equity instruments are measured at fair values.

Note (b): Under Ind AS, proposed dividends are only recognised when approved by the shareholders in the general meeting.

5. The major part of the Holding Company's business arises from operations outside India and through its subsidiaries. In view of this the Company has opted to publish only consolidated results for the year as permitted under SEBI guidelines. The Total Income, Profit before tax and Profit after tax of the Holding Company's standalone financial results are given below :

In Rs Crores	Three months ended			Year ended	
	March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016
Total Income	710.94	804.67	703.08	3160.23	3098.27
Profit before Tax	63.15	96.76	14.73	386.19	316.88
Profit after Tax [refer note 2 (b)]	43.96	72.46	6.04	276.00	226.49
Total Comprehensive Income	151.95	44.89	(42.15)	516.18	79.82
Earnings per share – Rs (not annualised for the quarter)	0.70	1.15	0.10	4.37	3.59

6. Figures for the quarter ended March 31, 2017 and March 31, 2016 are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year.
7. Consolidated Statement of Asset and Liabilities as at March 31, 2017 along with comparatives is annexed.
8. The Board of Directors has recommended a dividend payment of Rs. 2.35 per share (Face value Re. 1 each) for the year ended March 31, 2017.
9. Previous period's figures have been regrouped / rearranged, to the extent necessary, to conform to current period's classifications.
10. The aforementioned results were reviewed by the Audit Committee of the Board on May 29, 2017 and subsequently taken on record by the Board of Directors at its Meeting held on May 30, 2017. The Statutory Auditors of the company have audited the annual results.
11. The Consolidated and Standalone result for the year ended March 31, 2017 are available on the Bombay Stock Exchange website (URL: [www.bseindia.com](http://www.bseindia.com)), the National Stock Exchange website (URL: [www.nseindia.com](http://www.nseindia.com)) and on the Company's website (URL: [www.tataglobalbeverages.com](http://www.tataglobalbeverages.com)).



**Harish Bhat**  
(Chairman)

Mumbai: May 30, 2017





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**Consolidated Segment wise Revenue, Results, Assets and Liabilities  
for the quarter and year ended March 31, 2017**

Rs in Crores

Particulars	Unaudited Three months ended			Audited Year ended	
	March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016
<b>Segment Revenue</b>					
<b>Branded Business</b>					
(a) Tea	1185.27	1238.73	1111.39	4803.48	4715.58
(b) Coffee	270.34	289.82	290.92	1117.84	1118.82
(c) Others	11.16	9.05	7.71	35.96	28.87
<b>Total Branded Business</b>	<b>1466.77</b>	<b>1537.60</b>	<b>1410.02</b>	<b>5957.28</b>	<b>5863.27</b>
<b>Non Branded Business</b>	<b>224.42</b>	<b>225.54</b>	<b>199.17</b>	<b>890.05</b>	<b>815.58</b>
<b>Total Segment Revenue</b>	<b>1691.19</b>	<b>1763.14</b>	<b>1609.19</b>	<b>6847.33</b>	<b>6678.85</b>
Less: Inter segment Sales	(16.93)	(19.28)	(10.84)	(67.78)	(42.31)
<b>Income from Operations</b>	<b>1674.26</b>	<b>1743.86</b>	<b>1598.35</b>	<b>6779.55</b>	<b>6636.54</b>
<b>Segment Results</b>					
<b>Branded Business</b>					
(a) Tea	112.96	143.55	137.07	577.72	578.58
(b) Coffee	48.54	30.85	37.32	178.92	129.51
(c) Others	(7.26)	(6.23)	(10.40)	(22.11)	(27.57)
<b>Total Branded Business</b>	<b>154.24</b>	<b>168.17</b>	<b>163.99</b>	<b>734.53</b>	<b>680.52</b>
<b>Non Branded Business</b>	<b>46.09</b>	<b>28.66</b>	<b>23.90</b>	<b>136.97</b>	<b>72.00</b>
<b>Total Segment Results</b>	<b>200.33</b>	<b>196.83</b>	<b>187.89</b>	<b>871.50</b>	<b>752.52</b>
<b>Add/Less</b>					
Finance Cost	(24.77)	(21.57)	(44.43)	(91.53)	(116.90)
Other Unallocable items, Other Income & Exceptional Items	(78.30)	19.92	(340.87)	(118.01)	(465.86)
<b>Profit Before Tax</b>	<b>97.26</b>	<b>195.18</b>	<b>(197.41)</b>	<b>661.96</b>	<b>169.76</b>
<b>Segment Assets</b>					
<b>Branded Business</b>					
(a) Tea	4145.91	4652.28	4403.46	4145.91	4403.46
(b) Coffee	1763.13	1876.60	1843.32	1763.13	1843.32
(c) Others	44.81	44.03	32.59	44.81	32.59
<b>Total Branded Business</b>	<b>5953.85</b>	<b>6572.91</b>	<b>6279.37</b>	<b>5953.85</b>	<b>6279.37</b>
<b>Non Branded Business</b>	<b>965.55</b>	<b>913.43</b>	<b>901.79</b>	<b>965.55</b>	<b>901.79</b>
<b>Total Segment Assets</b>	<b>6919.40</b>	<b>7486.34</b>	<b>7181.16</b>	<b>6919.40</b>	<b>7181.16</b>
Unallocable Corporate Assets	2665.48	2822.86	2830.44	2665.48	2830.44
<b>Total Assets</b>	<b>9584.88</b>	<b>10309.20</b>	<b>10011.60</b>	<b>9584.88</b>	<b>10011.60</b>
<b>Segment Liabilities</b>					
<b>Branded Business</b>					
(a) Tea	795.74	832.61	796.93	795.74	796.93
(b) Coffee	178.62	209.16	164.39	178.62	164.39
(c) Others	40.42	24.20	13.08	40.42	13.08
<b>Total Branded Business</b>	<b>1014.78</b>	<b>1065.97</b>	<b>974.40</b>	<b>1014.78</b>	<b>974.40</b>
<b>Non Branded Business</b>	<b>111.25</b>	<b>116.14</b>	<b>100.10</b>	<b>111.25</b>	<b>100.10</b>
<b>Total Segment Liabilities</b>	<b>1126.03</b>	<b>1182.11</b>	<b>1074.50</b>	<b>1126.03</b>	<b>1074.50</b>
Unallocable Corporate Liabilities	1273.85	1953.80	1828.16	1273.85	1828.16
<b>Total Liabilities</b>	<b>2399.88</b>	<b>3135.91</b>	<b>2902.66</b>	<b>2399.88</b>	<b>2902.66</b>

**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. This complies with Ind AS – 108 – Segment reporting principles, and is made effective from 1st April, 2015.
- 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 products.
- 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, other income and exceptional items.

Harish Bhat  
(Chairman)





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### Audited Consolidated Statement of Assets and Liabilities as at March 31, 2017

Rs in Crores

	2017	2016	April 1, 2015
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property Plant and Equipment	698.17	731.37	666.57
Capital Work in Progress	60.36	33.12	33.91
Investment Property	68.66	70.09	71.18
Goodwill	3497.91	3709.55	3804.30
Other Intangible Assets	307.85	220.88	269.72
Intangible Assets under Development	2.83	6.30	4.19
Investments accounted for using Equity method	345.36	438.30	426.51
Financial Assets			
Investments	939.33	684.22	1157.23
Loans	58.70	58.72	109.70
Other Financial Assets	37.67	39.87	36.49
Deferred Tax Assets (Net)	61.98	116.84	71.18
Non-current Tax Assets (net)	62.89	44.64	33.28
Other Non Current Assets	81.69	115.18	74.74
	6223.40	6269.08	6759.00
<b>Current Assets</b>			
Inventories	1452.96	1629.01	1562.10
Financial Assets			
Investments	166.35	173.33	11.71
Trade Receivables	592.45	592.43	581.09
Cash and Cash Equivalent	565.72	492.87	554.80
Other Bank balances	9.10	8.16	7.71
Loans	277.57	601.18	585.12
Other Financial Assets	81.08	79.47	81.14
Current Tax Assets (net)	13.98	7.99	9.70
Other Current Assets	150.44	158.08	126.63
	3309.65	3742.52	3520.00
Assets of disposal group	51.83	-	-
	9584.88	10011.60	10279.00
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	63.11	63.11	61.84
Other Equity	6202.39	6184.06	6422.42
<b>Equity attributable to the equity holders of the company</b>	6265.50	6247.17	6484.26
Non Controlling Interest	919.50	861.77	890.74
Total Equity	7185.00	7108.94	7375.00
<b>Share Suspense Account</b>	-	-	1.27
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	450.10	504.12	914.36
Other Financial Liabilities	6.71	7.33	11.63
Provisions	208.97	291.76	249.28
Deferred Tax Liabilities (Net)	207.36	195.41	160.98
	873.14	998.62	1336.25
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	320.23	408.56	385.92
Trade Payables	737.76	677.30	688.62
Other Financial Liabilities	244.08	636.86	303.67
Other Current Liabilities	78.57	74.79	75.43
Provisions	115.85	100.64	94.43
Current Tax Liabilities (net)	4.50	5.89	18.41
	1500.99	1904.04	1566.48
Liabilities of disposal group	25.75	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	9584.88	10011.60	10279.00