



May 24, 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

Subject: Presentation to Analysts – results for year ended 31.03.2016

Dear Sirs,

Further to our letter dated 06 May, 2016 we enclose herewith a copy of the Presentation made at the Analyst's Meet held today.

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

Kirloskar Business Park Block-C 3rd & 4th Floor Hebbal Bengaluru-560 024

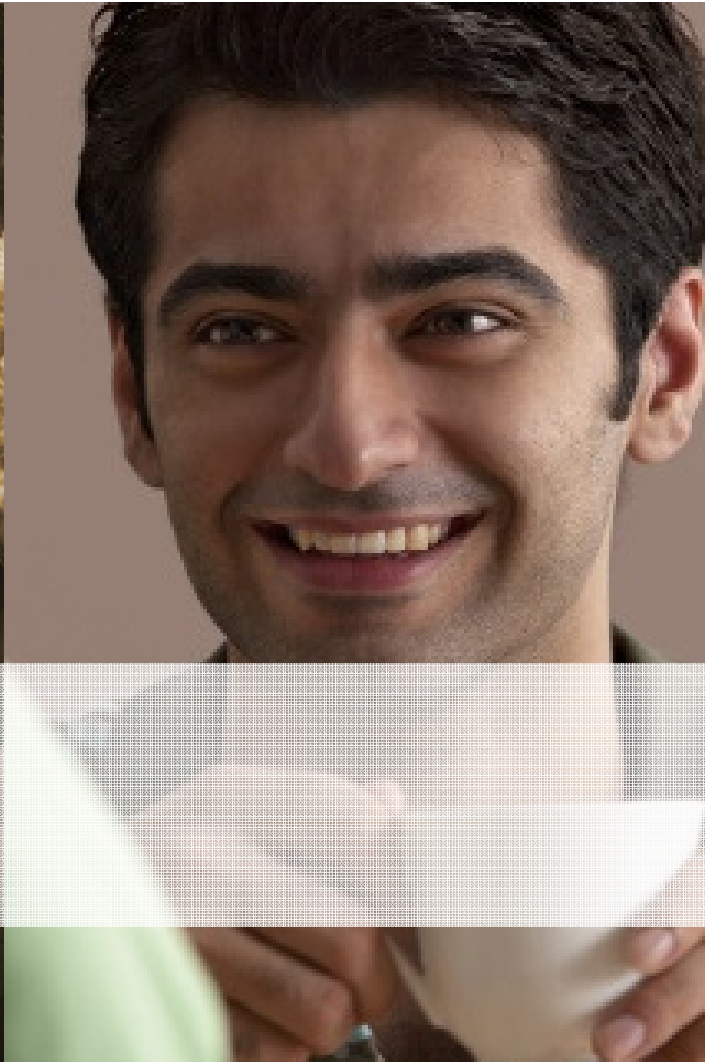
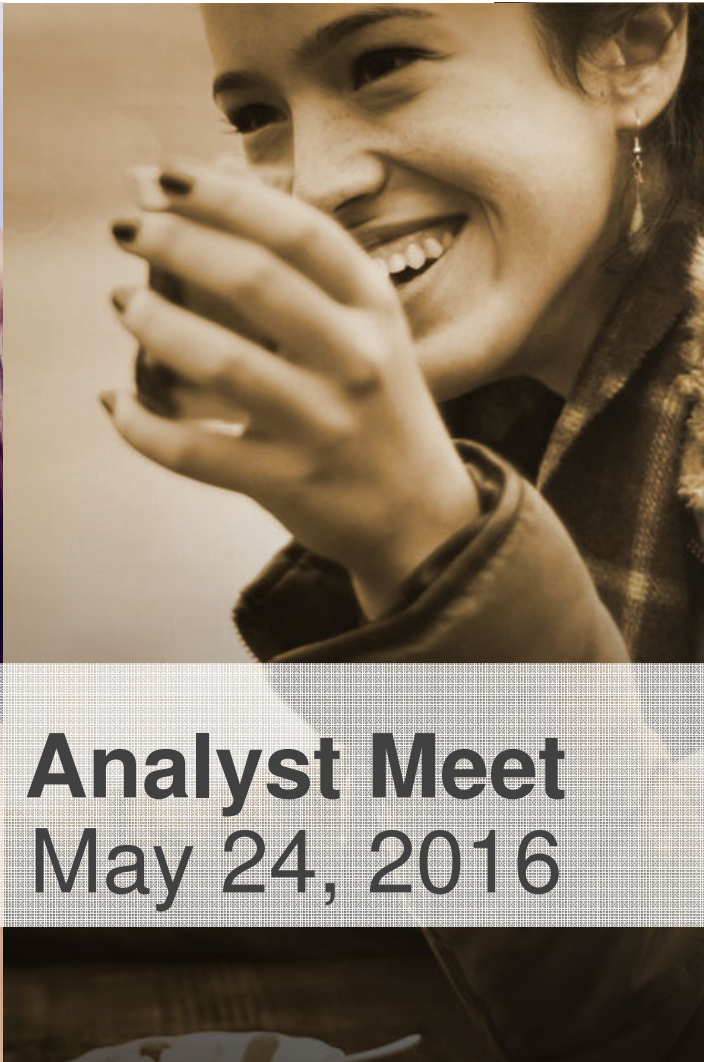
Tel 91-80-67171200 Fax 91-80 6717 1201

Registered Office 1 Bishop Lefroy Road Kolkata 700 020

Corporate Identity Number (CIN) - L15491WB1962PLC031425

E-mail id - investor.relations@tataglobalbeverages.com

Website address - www.tataglobalbeverages.com



Analyst Meet
May 24, 2016



Agenda

1. EXTERNAL ENVIRONMENT AND EMERGING TRENDS

2. TGBL'S STRATEGIC PRIORITIES

3. FY2015-16 - BUSINESS PERFORMANCE

4. FINANCIAL OVERVIEW



**EXTERNAL ENVIRONMENT AND
EMERGING TRENDS**

External Environment



Shift in market trends

- Mainstream black category volumes declining in key international markets
- Premium and super-premium segments growing

Competitive intensity

- High level of promotional activity to protect market share
- Aggressive trading environment and retailer consolidation

Commodity costs

- Higher cost of Kenyan and Malawi teas due to adverse climate;
- Indian tea prices softer especially for plainer varieties
- Coffee commodity lower than previous highs

Macroeconomic environment

- Russia economic downturn
- Adverse movement in RUB, GBP, AUD and CAD

Implications

Focus on emerging trends – Health & Wellness, Premiumisation, Convenience
Expand non-black portfolio

Brand building, new product development, operating efficiencies

Strategic buying, Blend optimisation

Cost management, Develop new growth avenues

Emerging trends



Health & Wellness

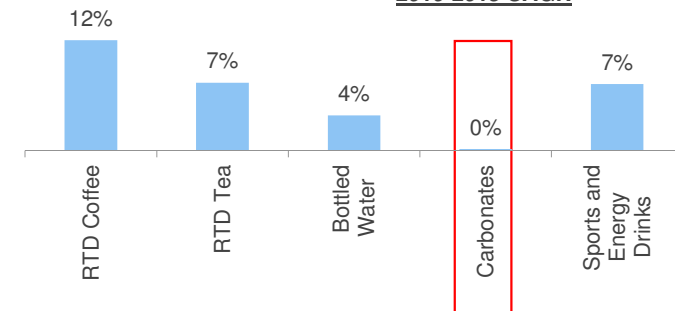
- Growing preference for natural and healthy alternatives
- Carbonated Soft Drinks category growth declining in developed markets

Growth beyond mainstream black tea

- Non-black segment growing faster than black
- Bias towards variety and novelty

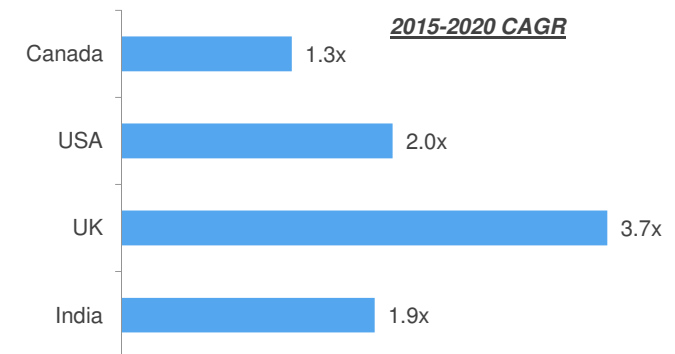
Category growth – USA

2010-2015 CAGR



Non-black vs Black – relative growth

2015-2020 CAGR



Source: Euromonitor (based on value @ manufacturer selling price)

Emerging trends



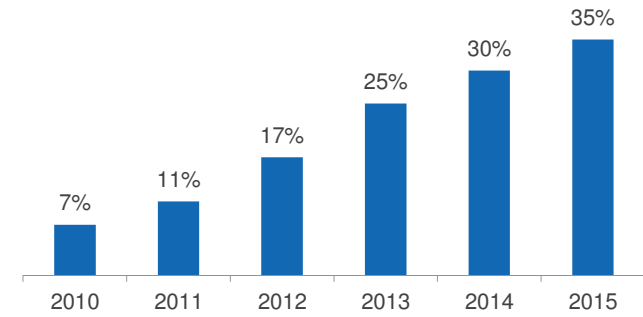
Premiumisation and format innovation

- Single-serve pod systems growing for coffee as well as tea
- Innovative packaging formats emerging e.g. pyramid tea bags
- Tea and Coffee as artisanal products

New channels

- Emergence of specialty tea store and café concepts
- E-commerce players focused on tea and coffee – emphasis on personalisation

Coffee Pods % of total category - USA



Source: Euromonitor

New channels



TEABOX

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

TGBL'S STRATEGIC PRIORITIES

TGBL's strategic priorities



Base business rejuvenation

- Focus on key brands in core categories: Tea, Coffee, Water
- Profitable growth in core businesses: India, UK, Canada, USA (Coffee), Coffee Extractions
 - Focus on brand building, premiumisation and enhancing distribution reach
 - Grow non-black tea segments – green , fruit & herbal
 - Develop alternate channels (e.g. foodservice, e-commerce)

Invest for growth

- Continue growth momentum in India JVs: Starbucks and Nourishco
- Accelerate expansion of super premium brand Teapigs into new markets
- Scale up businesses in Middle East, Australia (Coffee) and USA (Tea)

Drive Innovation agenda

- Commit resources to bolster R&D pipeline and launch new product lines with a focus on specific themes: premiumisation, health & wellness and convenience (new formats)
- Strengthen innovation and new product development processes

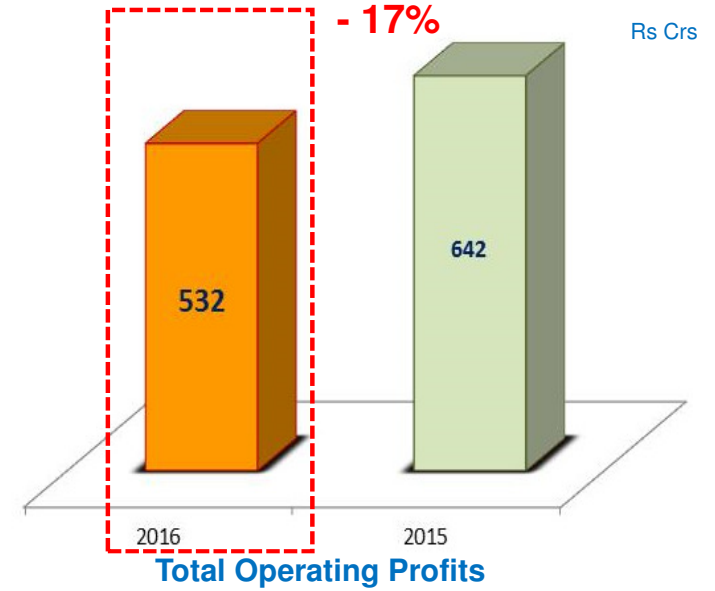
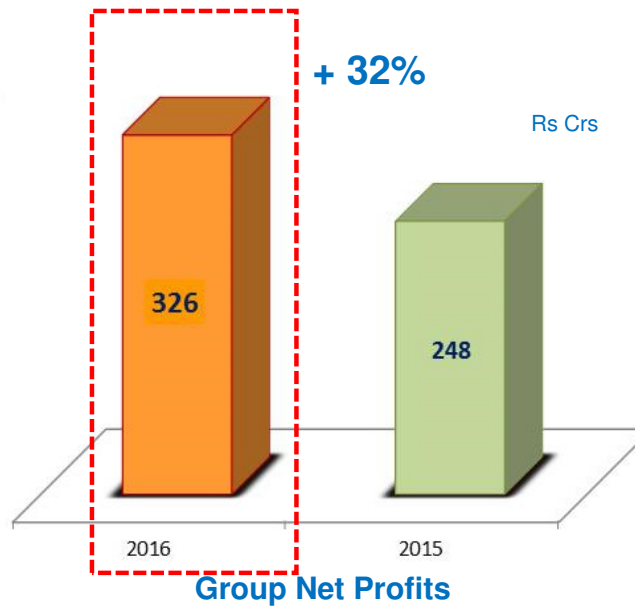
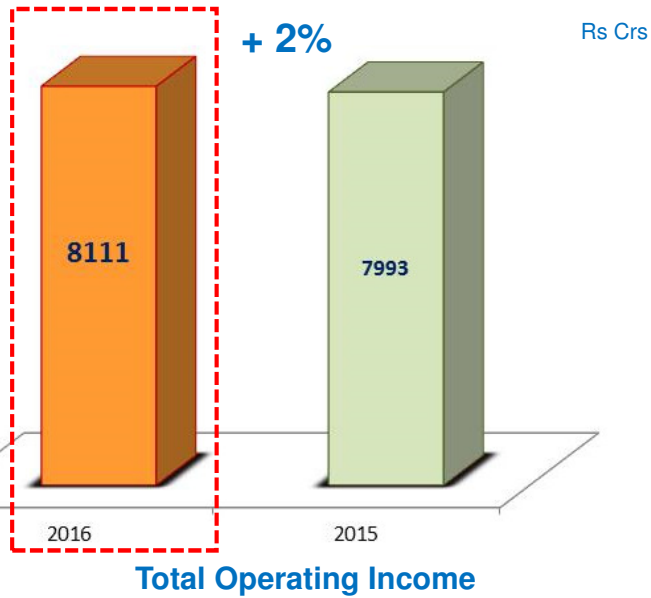
Operational effectiveness

- Reinforce organizational capabilities
- Actively manage commodity costs: strategic buying, blend optimisation
- Cost management



FY 15-16 BUSINESS PERFORMANCE

Snapshot of financials



FY 15-16 Business Summary



➤ **New product launches – drive towards premiumisation**

- 3 new launches in India
- Successful Super Fruits launch in UK

➤ **Brand building efforts**

- New Tetley logo, packaging and media campaign roll out
- Tata Tea Premium restage

➤ **Non-black portfolio growth**

- Green tea showing impressive growth in key markets
- Superpremium brand Teapigs accelerating expansion

➤ **Businesses where we are investing for growth**

- Starbucks and Nourishco expanding presence
- Market share uptick in the Middle East
- MAP brand growing in Australia on the back of single-serve coffee capsules

New product launches



Tata Tea Gold Mixture



Tata Tea Fusion



Tata Coffee Grand (India)



Tetley Signature Collection (Canada)



Tetley Super Greens/Fruits (UK)



Eoc Coffee Instant Can/Jar (USA)



Teapigs Matcha drink (USA)

Investing behind power brands



Global communications
Higher investment
SrManagement focus

Local communications
Lower investment
Regional management focus



POWER BRANDS / HIGH PRIORITY BRANDS

LOCAL CHAMPIONS

Super Premium

teapigs.

Premium



Main-stream



Value



Investing behind power brands: Tetley brand re-stage



Tetley brand re-stage meets key objectives:

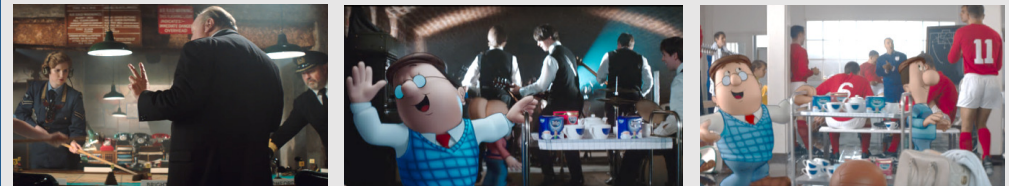
- ✓ *Enhance brand positioning*
- ✓ *Modernise & Premiumise brand identity*
- ✓ *Improve fixture navigation & shopability*

New logo and packaging



Brand new TV campaign amplified with print and PR

Celebrating success at iconic moments in British history where there is a clear role for tea as a catalyst



Winning the war

Creating the best music

Winning the world cup

Green tea and super premium segments growing in key markets



UK Green Tea



- ✓ Our growth faster than category growth in both volume and value terms
- ✓ Supergreens gaining momentum – voted product of the year



India Green tea



- ✓ Growth rate in double digits
- ✓ Investments in Modern trade
- ✓ Brand activation - increasing engagement on social media
- ✓ Maintains market leadership position in this category

teapigs.

no airs. no graces. just fine tea.

Teapigs



- ✓ Double digit growth rate
- ✓ #1 super premium brand in UK and #2 in Canada
- ✓ Gaining traction in e-commerce and foodservice channels
- ✓ Expanding presence in USA as well as developing new export markets

Performance Update – India



➤ Base Business – Grow current brands and distribution

- Maintained volume and value leadership
- Growth in national as well as regional brands
 - Brand re-stage for Tata Tea Premium completed
 - Turnaround for Kanan Devan
- White space: Successful new product launch in Maharashtra – Tata Tea Gold Mixture

➤ Base Business – Upgrade and grow value/serve

- Significant growth in Green tea continues
- Launch of Tata Tea Fusion

➤ Expand portfolio beyond black and green tea

- Successful launch of Tata Coffee Grand – high impact launch created desired buzz and visibility

➤ Good management on commodity costs

Topline growth of 7%

Performance Update – Key International markets



➤ UK

- Green tea sales continue to perform well – led by Supergreens
- Moderate growth in retail channel; strong performance with top customers.
- New packaging and media campaign well received
- Successful launch of Super-fruits

➤ USA

- Moderate growth in EOC in-market volumes in an aggressive competitive environment
- Impact of high Coffee costs in the beginning of the year
- Tetley continues to gain share in black and green segments
- New launches:
 - Incremental sales from the new Can and Instant coffee products
 - Tetley Herbal Infusions roll-out underway.

➤ Canada

- Maintains volume and value leadership
- New products continue to gain distribution
 - Tetley Signature Collection launch
 - Teapigs is now #2 brand in the super-premium category

Performance Update – Businesses in investment phase



➤ Starbucks JV

- Topline growth with good store-level profitability
- Currently operating 82 stores
- Expansion to continue – new cities, new formats
- Focus on reducing costs through localisation and other initiatives

➤ Nourishco

- Tata Gluco Plus has demonstrated significant growth
- Himalayan performance steady; reworking Tata Water Plus model
- Focus on enhancing market penetration and brand building

➤ Middle East

- Improving market share in 2 key Gulf markets, Saudi Arabia and UAE
- Tetley is also making good progress in the smaller GCC markets
- Kanan Devan relaunch successful

➤ MAP (Australia Coffee)

- Topline growth led by single-serve capsule sales in grocery channel
- Improving market position
- Expanding presence in channels beyond grocery

Performance Update – Non Branded Business



➤ Instant Tea

- Topline growth in US and other export markets
- Lower input costs boosts profitability
- China business yet to stabilize

➤ Plantations

- Topline growth aided by good pepper/ coffee sales
- Coffee improvements due to Robusta
- Tea plantations impacted due to lower commodity costs and wage revision

➤ Instant Coffee

- Stable performance
- Growth led by improved agglomerate sales

Awards and Achievements



Over 50 accolades for the Power of 49 campaign



Eight O'Clock Coffee wins two Reggies



Tetley Super Green Tea awarded UK Product of the Year 2016



Tetley in UK wins five Great Taste Awards!



TGB wins at the Effie Awards – Gold and Bronze



Website of the Year Award 2015 in Consumer Goods category



Tata Coffee wins two awards at the 12th Golden Leaf India Awards 2016



FINANCIAL OVERVIEW

Financial Overview



For the year

➤ Revenues are higher

- Improvement in topline in underlying terms in India (branded tea business and JVs).
- Higher revenue in Non Branded Business
- Lower turnover in international business because of currency translation (RUB, GBP, AUD, CAD), market growth rates and competitive intensity

➤ Operating profit impacted

- Higher commodity costs -International tea prices remained firm whereas soft prices prevailed in India. Coffee commodity prices lower than previous highs.
- competitive intensity,
- higher spends behind new initiatives and capability development

➤ Exceptional items mainly comprises of

- Profit on sales of some non core investments, offset by
- Non Cash impairments taken in Eastern Europe and US – macro economic stability, decline in category growth rate and higher competitive intensity.

➤ Significant Growth in Group Net Profits

- Exceptional items
- Lower interest costs
- Lower effective tax rates

Financial Highlights



Quarter ending March			Particulars (In Rs crores)	Year ending March		
Actual	PY	Variance		Actual	PY	Variance
1966	1923	43	Total Operating Income	8111	7993	118
132	163	-31	EBIT	532	642	-110
16	8	8	Other Income	71	70	1
-18	-18	0	Finance Cost	-69	-82	13
130	153	-23	Profit Before Exceptional Items	534	630	-96
30	-103	133	Exceptional Items	12	-130	142
160	50	110	Profit Before Tax	545	500	45
-52	-35	-17	Tax	-210	-216	6
108	15	93	Profit After Tax	335	284	51
-23	-24	1	Share of Profit from Associates	-1	-11	10
21	13	8	Minority Interest in consolidated profit	-8	-25	17
107	4	103	Consolidated Group Profit	326	248	78
1.69	0.06		Earning Per Share (Rs)	5.16	3.93	

Particulars	Unaudited Three months ended			Audited Year ended	
	March 31 2016	December 31 2015	March 31 2015	March 31 2016	March 31 2015
Income from Operations					
Net Sales / Income from Operations (Net of excise duty)	1927.99	2050.63	1874.58	7981.70	7832.67
Other Operating Income	37.58	30.84	48.07	128.81	160.72
Total Income from Operations (Net)	1965.57	2081.47	1922.65	8110.51	7993.39
(a) Cost of Materials Consumed	850.09	898.59	919.21	3605.00	3625.12
(b) Purchase of stock in trade	86.41	81.54	66.61	330.54	263.47
(c) Changes in inventories of finished goods, work in progress and stock in trade	(28.61)	12.54	(97.79)	(10.13)	(51.25)
(d) Employee Benefits Expense	229.29	238.57	221.27	902.01	857.67
(e) Depreciation and Amortisation Expenses	33.87	38.02	25.66	142.93	133.11
(f) Advertisement and Sales charges	337.47	359.10	307.91	1368.77	1325.57
(g) Other Expenses	324.90	318.99	317.08	1239.66	1197.95
Total Expenses	1833.42	1947.35	1759.95	7578.78	7351.64
Profit from Operations before Other Income , Finance Costs & Exceptional Items	132.15	134.12	162.70	531.73	641.75
Other Income	15.73	9.46	8.47	70.60	69.98
Profit from ordinary activities before Finance Costs & Exceptional Items	147.88	143.58	171.17	602.33	711.73
Finance Costs	(18.15)	(22.68)	(18.37)	(68.77)	(81.86)
Profit from ordinary activities after Finance Costs but before Exceptional Items	129.73	120.90	152.80	533.56	629.87
Exceptional Items (Net)	30.00	(10.46)	(102.52)	11.88	(129.99)
Profit from ordinary activities before Tax	159.73	110.44	50.28	545.44	499.88
Tax Expense	(51.87)	(48.17)	(35.58)	(210.40)	(215.52)
Net Profit after Tax	107.86	62.27	14.70	335.04	284.36
Share of Profit/(Loss) from Associates	(22.82)	6.22	(24.02)	(1.41)	(10.88)
Minority Interest in Consolidated Profit	21.49	(9.34)	13.22	(7.72)	(25.66)
Group Consolidated Net Profit	106.53	59.15	3.90	325.91	247.82
Paid-up equity share capital (Face value of Re 1 each)	63.11	63.11	63.11	63.11	63.11
Reserves excluding Revaluation Reserves				5614.58	5388.45
Earnings per share (Basic & Diluted)(not annualised for quarter end) - Rs	1.69	0.94	0.06	5.16	3.93

Region-wise Income from Operations



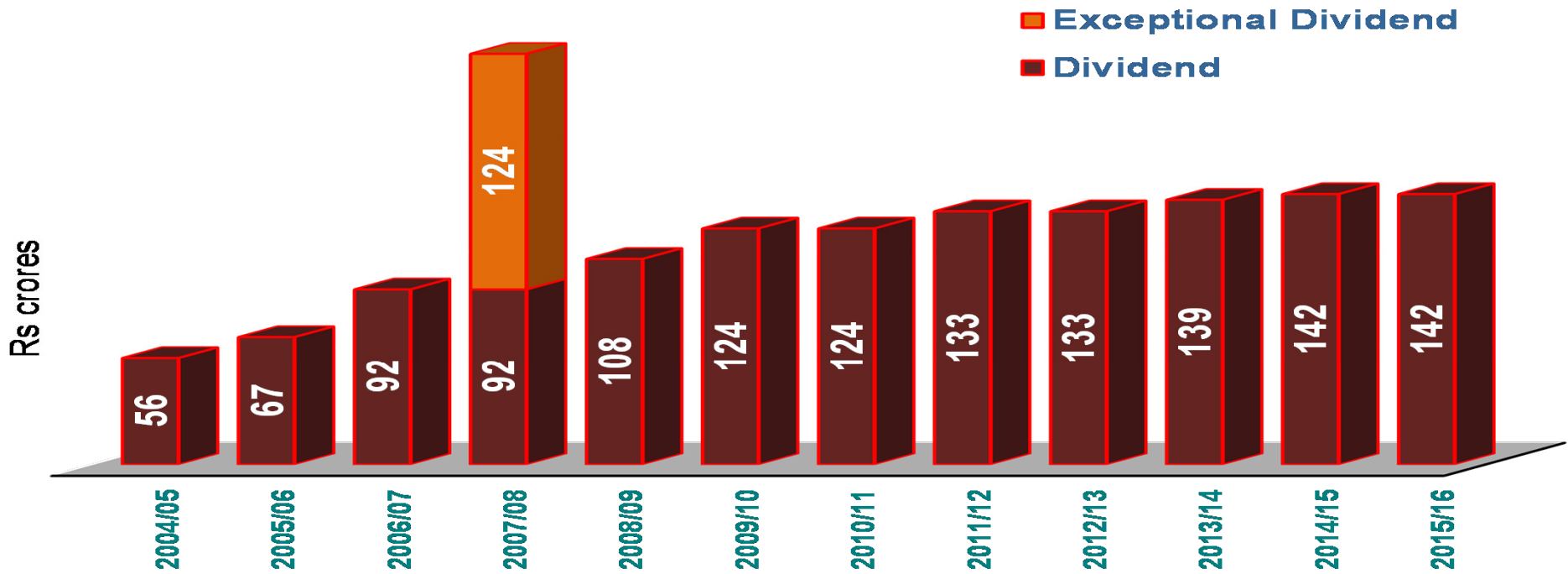
Quarter ending March			Particulars (In Rs Crores)	Year ending March		
Actual	PY	Variance		Actual	PY	Variance
530	499	31	CAA	2,032	2,038	(6)
516	527	(11)	EMEA	2,097	2,206	(109)
680	651	29	South Asia Brands	3,039	2,813	227
1,725	1,676	49	Total Brands	7,168	7,057	112
200	209	(9)	Total Non Branded Operations	799	758	41
40	37	3	Other and Eliminations	143	178	(35)
1,966	1,923	43	TOTAL OPERATING INCOME	8,111	7,993	118

Balance Sheet



Particulars (In Rs Crores)	March 2016	March 2015
SOURCES OF FUNDS		
Shareholder's Funds	6600	6368
Borrowings	1182	1324
Non Current Liabilities	446	461
Current Liabilities	1390	1358
TOTAL	9618	9511
APPLICATION OF FUNDS		
Fixed Assets:		
Goodwill	3792	3892
Others Fixed Assets	1101	1077
Investments	609	622
Cash & Other Deposits	1198	1225
Non Current Assets	296	212
Current Assets	2622	2483
TOTAL	9618	9511

Dividend



Dividend declared 225%, same as PY.



Thank you