



August 5, 2020

**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 – TATACONSUM**

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

**The Calcutta Stock Exchange Ltd.**  
7 Lyons Range  
Kolkata 700 001  
**Scrip Code – 10000027 (Demat)**  
**27 (Physical)**

Dear Sirs,

Further to our letter dated July 15, 2020 and August 1, 2020, we enclose herewith a copy of the Presentation to be made to the Analysts/Investors relating to the financial performance of the Company in the quarter ended June 30, 2020.

The same is also uploaded on the Company's website [www.tataconsumer.com](http://www.tataconsumer.com).

This is for your information and records.

Yours faithfully,  
For **TATA CONSUMER PRODUCTS LIMITED**

**Neelabja Chakrabarty**  
**Vice President & Company Secretary**

*Encl: as above*

**TATA CONSUMER PRODUCTS LIMITED**  
**(Formerly known as Tata Global Beverages Limited)**

11/13 Botawala Building 1<sup>st</sup> Floor Office No 2-6 Horniman Circle Fort Mumbai 400 001 India  
Tel: 91-22-6121-8400 | Fax: 91-22-61218499  
Registered Office: 1, Bishop Lefroy Road, Kolkata – 700 020  
Corporate Identity Number (CIN): L15491WB1962PLC031425  
Email: [investor.relations@tataconsumer.com](mailto:investor.relations@tataconsumer.com)  
Website: [www.tataconsumer.com](http://www.tataconsumer.com)



# Investor Presentation

For the Quarter ended June 2020

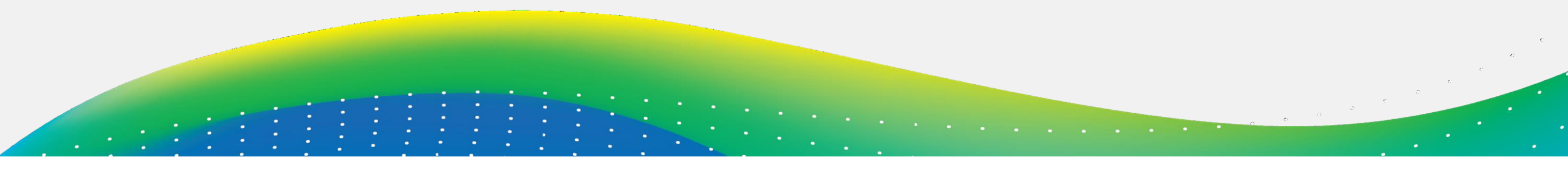
**TATA** CONSUMER PRODUCTS

5th August'20

FOR BETTER

## 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. These forward-looking statements are based on various assumptions, expectations and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, competitive intensity, pricing environment in the market, economic conditions affecting demand and supply, change in input costs, ability to maintain and manage key customer relationships and supply chain sources, new or changed priorities of trade, significant changes in political stability in India and globally, government regulations and taxation, climatic conditions, natural calamity, commodity price fluctuations, currency rate fluctuations, litigation among others over which the Company does not have any direct control. These factors may affect our ability to successfully implement our business strategy. The company cannot, therefore, guarantee that the 'forward-looking' statements made herein shall be realized. The Company, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time on the basis of subsequent developments and events.



# Agenda

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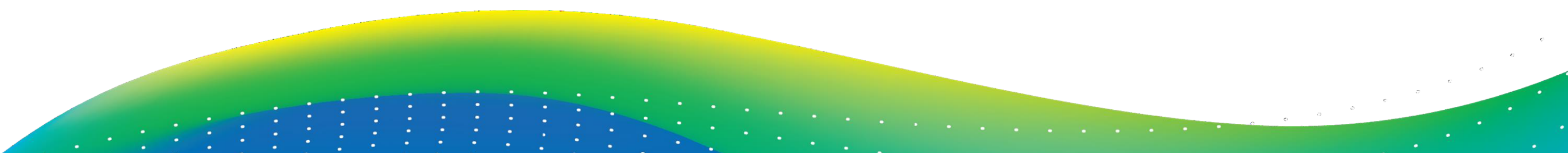
**Responsible Business**

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# We are Tata Consumer Products



Largest salt brand in India



2<sup>nd</sup> Largest tea brand in India



4<sup>th</sup> largest tea brand in UK & largest tea brand in Canada



4<sup>th</sup> largest R&G coffee brand in USA



Leading National brand in pulses in India



#1 natural mineral water brand in India

**TATA CONSUMER PRODUCTS**

## In a nutshell



Integrated F&B company with rich heritage of Tata, aspiring for a larger share of the FMCG World



#2 branded tea player globally



₹ 9.6K crore consolidated revenue in FY20 and current market cap of ~₹40k Cr.



Reach to almost 200mn households in India and distribution to ~2mm retail outlets



Among the top 10 F&B companies in India



2,250+ employees worldwide

01

# Executive Summary

# Executive Summary

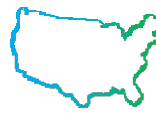
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- Consolidated Revenue grew by 13% to INR 2,714Cr with volume growth across businesses, amidst extremely challenging environment with lockdowns and supply chain disruptions globally.
- Consolidated EBITDA grew by 37% to INR 486Cr.
- India Beverages (including NourishCo<sup>#</sup>) grew by 11%. Branded tea business grew by 8% in value and 4% in volume terms.
- India Foods grew by 19% in value and 8% in volume terms.
- International Beverages, excluding foodservice, grew by 23% in value; volume growth of 27% in Coffee and 4% in Tea.
- Consolidated PBT (bei<sup>^</sup>) is higher by 42% to INR 436Cr with efficient management of commodity and discretionary costs.
- Tea prices in India continue to rise, may impact margins in short term.
- Integration of Consumer products business of TCL (India Foods) and India Beverages businesses progressing well;
  - Combined Organization structure already in place.
  - Realisation of synergies of merger under way; all the levers are in place.
- Completed acquisition of the entire stake of PepsiCo in NourishCo in May'20.

<sup>#</sup>including impact of NourishCo as a subsidiary effective May'20.

<sup>^</sup> bei - PBT before exceptional items

# Revenues at a Glance



## International Beverages

In ₹ Cr  
(unless specified)

|   | India Beverages | India Foods | US Coffee    | International Tea | Foodservice (International) | Tata Coffee (incl. Vietnam) | Consolidated |
|---|-----------------|-------------|--------------|-------------------|-----------------------------|-----------------------------|--------------|
| <b>Revenue</b>                                | 1,000           | 589         | 358          | 475               | 34                          | 229                         | 2,714        |
| <i>Revenue Growth<br/>[Underlying growth]</i> | 11%             | 19%         | 37%<br>[26%] | 14%<br>[9%]       | -56%<br>[-59%]              | 12%<br>[10%]                | 13%<br>[11%] |
| <i>Volume Growth</i>                          | 4%*             | 8%          | 27%          | 4%                | -60%                        | 14%                         |              |

Key Brands



\*Branded tea volume growth

**Note:**

- a) India Beverages includes Middle East and NourishCo (subsidiary effective May'20)
- b) International tea business includes UK, Canada, US, Aus and Europe.
- c) Tata Coffee incl. Vietnam and excl. USCoffee (EOC)
- d) Consolidated revenue includes other non-branded business and Inter-segment eliminations

**TATA CONSUMER PRODUCTS**



# Performance at a Glance



₹ 2,714 Cr.



₹ 486 Cr.



₹ 436 Cr.



₹ 346 Cr.



~₹ 1,969 Cr.

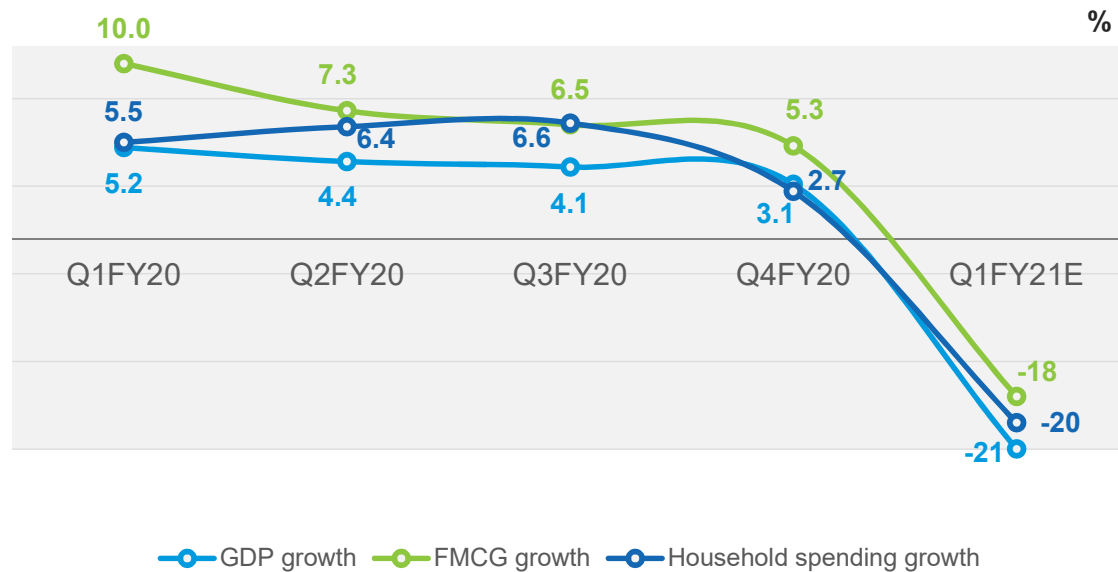
|                                  | Revenue | EBITDA   | PBT (bei)^ | Group Net Profit              | Net Cash <sup>\$</sup> |
|----------------------------------|---------|----------|------------|-------------------------------|------------------------|
| <b>Growth (Y-on-Y)</b>           | 13%     | 37%      | 42%        | 82%                           |                        |
| <b>Margin%</b>                   |         | 17.9%    | 16.1%      | 12.7%                         |                        |
| <b>Margin expansion (Y-on-Y)</b> |         | +310 bps | +320 bps   | +480 bps                      |                        |
| <b>EPS / Cash EPS</b>            |         |          |            | 3.55 (EPS)<br>4.11 (Cash EPS) |                        |
| <b>Growth (Y-on-Y)</b>           |         |          |            | +89% (EPS)<br>+24% (Cash EPS) |                        |

<sup>^</sup> PBT before exceptional items

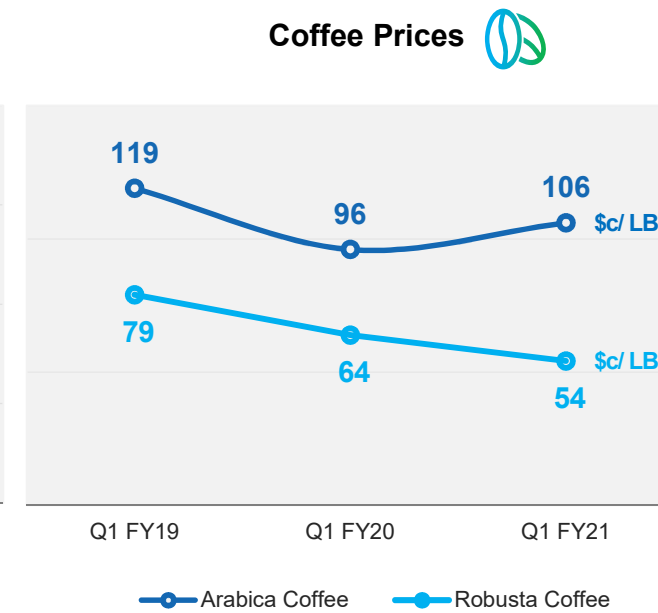
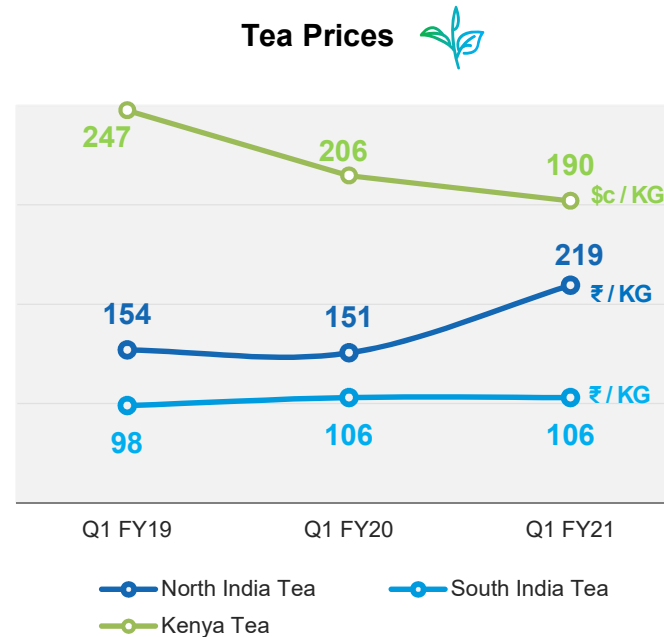
<sup>\$</sup> Cash and Cash equivalents (net of total borrowings) as at June 30, 2020

# Sector Outlook

## Weak economic and sector demand in India Volatile commodity prices



- Nation wide lockdown in April-May'20, severely impacted GDP and FMCG industry growth
- Staples, Health foods, Health & Hygiene category saw strong demand, but the discretionary and out-of-home consumption category negatively impacted
- Recovery witnessed in June with demand reaching pre-Covid levels
- Rural is witnessing higher growth than urban due to shift of migrants, govt. stimulus and good monsoon

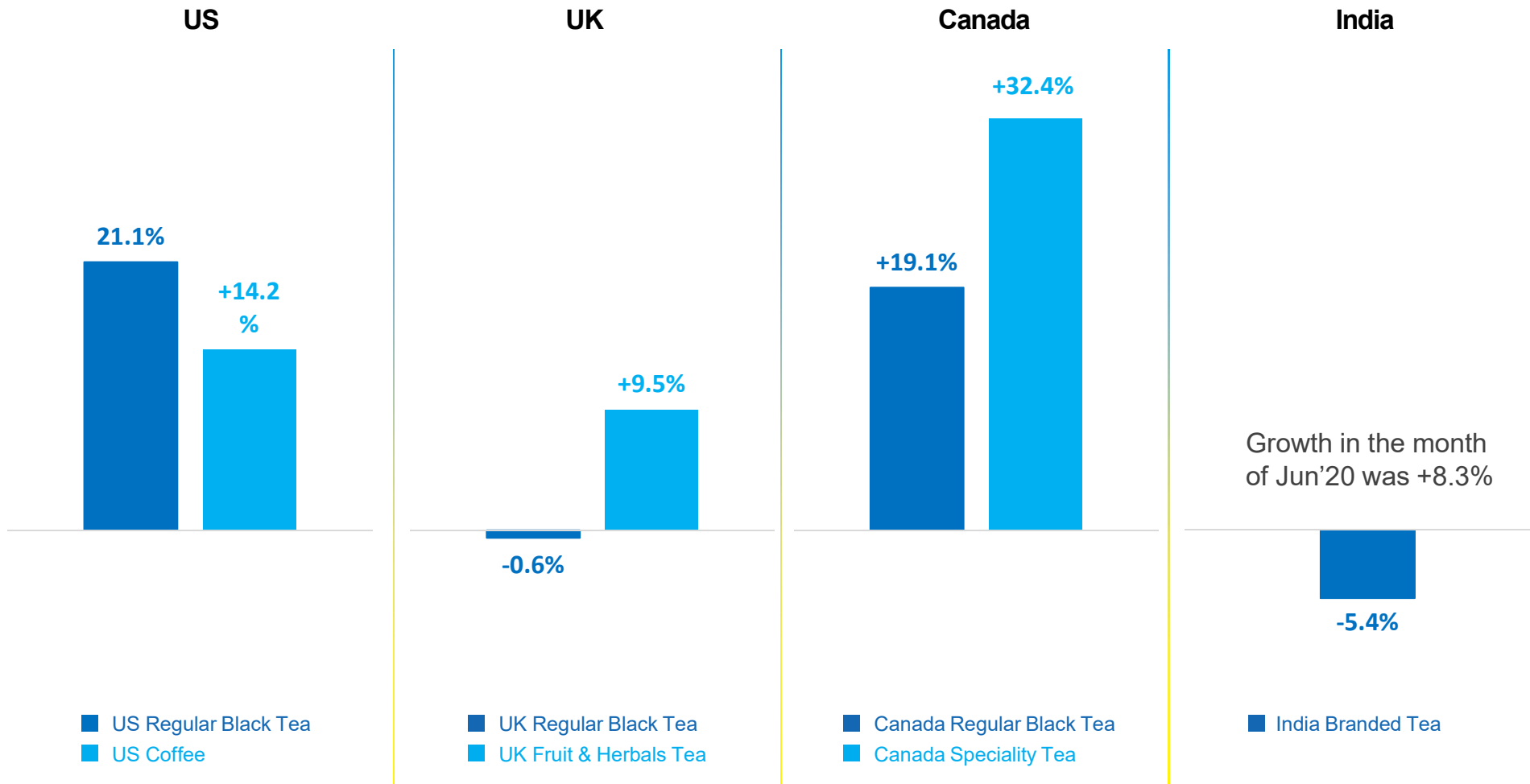


- Sharp increase in North India Tea prices during Q1FY21 owing production impacted by lockdown and excessive rains in Assam
- Kenyan tea prices continued to decline on account of higher production and no material disruption in due to COVID
- Arabica coffee prices saw an uptick in prices, but Robusta coffee prices continued to decline

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

# Quarterly Category Performance

## Mixed performance across categories and regions



- Due to the Covid crisis, there has been pantry loading, leading to upsurge in tea and coffee demand in International Markets.
- Regular black tea continues to be the largest category share in the overall global tea market. Sharp rise in US and Canada compared to UK, where the decline has deaccelerated.
- Non-black tea (Fruit & Herbal, Specialty, Decaf, Cold Infusions, etc.) also witnessing strong growth in the International markets, led by shift in consumer preference for health & wellness products
- In contrast, Indian market has witnessed de-growth of ~5% in Branded tea. However, there has been a re-bounce in June aided by gradual lifting of lockdown/restrictions

Source: Nielsen - 12 weeks (Value) – June'20

02

# COVID-19 Update

# COVID-19: Business Update

## Business Continuity

- **All factories and plantations** are now operational
- **Stringent guidelines and Covid SOP** implemented to ensure health & safety of employees
- Continue to promote “**Work from Home**” to maximum extent possible
- **60% of Starbucks stores** are operational across India

## Supply Chain Resilience

- **Secure raw materials and packaging** supply chains; Ongoing risk management to ensure supply continuity
- **New packing facility setup** to cater to additional demand for pulses
- **Re-alignment of sales teams** to reduce exposure. Tele-marketing deployed aggressively
- Continuous engagement with **Govt. & Industry bodies**

## Digital Acceleration

- **Remote third party audits** and remote management of quality checks
- Virtual on boarding and trainings for new joiners
- **Digital marketing to engage with consumers:** #HarDinHaldi Contest, Tata Sampann #BeatTheLockdown initiative, Tata Nutri Korner website, Starbuck At Home
- **TATA Coffee:** Adoption of Blockchain and Traceability; QR based plant health monitoring

## Innovative Ways of Working

- Restricted travel protocol
- **Tie-ups with Ecommerce players and Hyperlocal delivery** platforms across businesses
- Starbucks has launched **Mobile Order & Pay feature**, partnering with TATA Digital

## Employee Well-Being

- **Weekly Health & Wellness initiatives** for employees
- **Training, safety kits for our frontline employees;** Continuous health monitoring
- **Voluntary top up coverage** for Covid-19 Mental Wellness

## Social Initiatives

- On-going supply of **beverages to healthcare and frontline workers**
- **Digital crowd funding** to support Tea Shops in Tamil Nadu
- **Support local communities** by distributing PPE kits, Thermal scanners, UK NHS packs, Quarantine centers at plantations, etc.

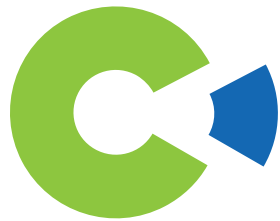
03

# Integration Update

# Recap- Creation of Tata Consumer Products

Merger of consumer products business of TCL with TGBL has led to creation of Tata Consumer Products Limited (TCPL)

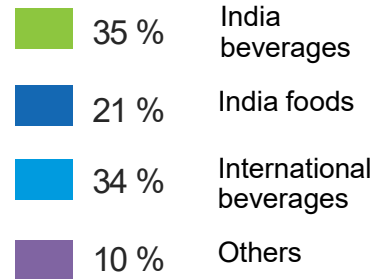
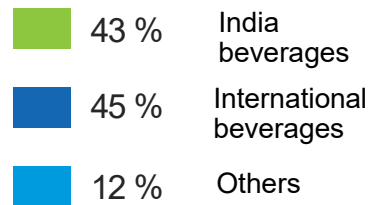
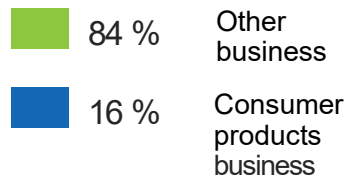
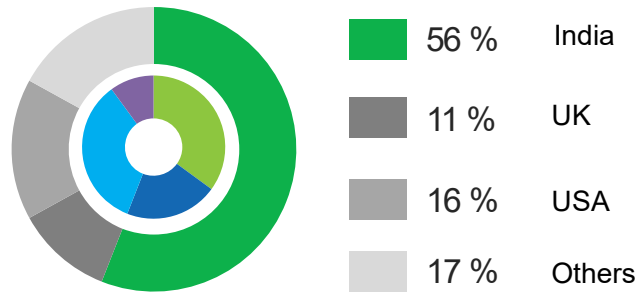
## Tata Chemicals Limited (TCL)



## Tata Global Beverages Limited (TGBL)



## Tata Consumer Products Limited (TCPL)



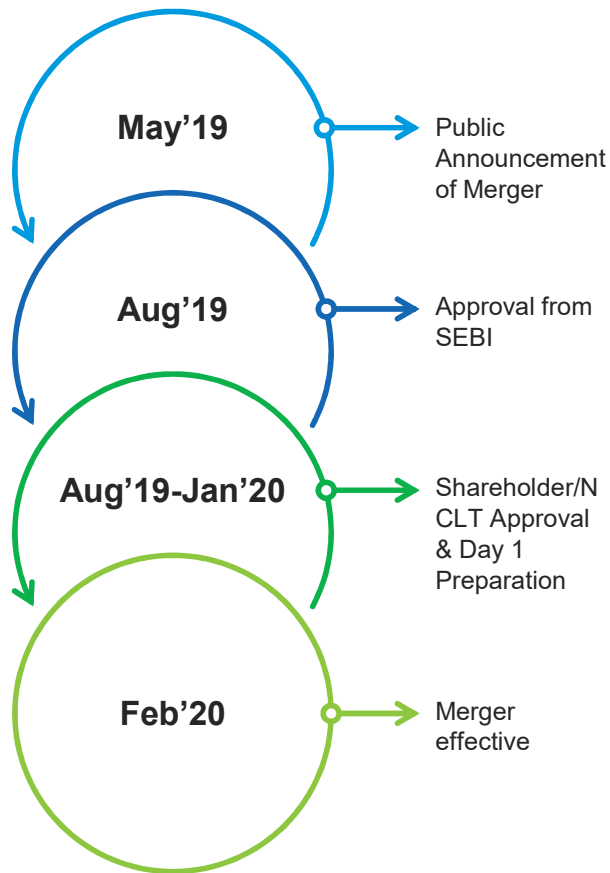
## Rationale for Merger

- Creation of a sizeable Consumer company with enhanced scale and financial strength
- Diversification into multiple product categories with high growth potential; tap the larger opportunity available in Foods segment and not be limited only to beverages category
- Creation of unique portfolio of strong market leading brands
- Significant international presence with sustained leadership position in key markets
- Potential to unlock significant synergies across distribution, marketing, innovation and supply chain
- Create a consumer company with leading Indian and International brands like Tata Salt, Tata Tea, Tetley, Eight O' Clock and high growth potential brands like Tata Sampann and Tata Starbucks

# Key Milestones and Integration Objectives

## Pre-merger

May'19-Feb'20



## Post-merger Integration

Feb'20-Dec'20

### Completed

- Integrated **organization structure** and operating model to enable profitable growth across multiple categories
- **Harmonize way of working** across organization
- **Sales & Distribution structure design**; rationalized layers and new RTC construct ready for implementation
- Identification of cost and revenue **synergy opportunities**

### In Process

- Build **multi-category Sales & Distribution** organization
- End to end **digitization** across supply chain and distribution partners
- **ERP integration** (Target Q4 FY21)
- **Optimization** of vendor base, distributor network, warehouse network
- **Growth strategy**; focus on innovation, market share expansion and building new engines of growth
- On track to realize initial **synergy estimates of 2-3%** of combined India branded revenues over 18-24 months



# Sales & Distribution Redesign

## Elements of RTC Design



### Feet-on-Street

- Common salesman to sell the full portfolio
- Enhance front line sales force – 2x of frontline sales officers and DSRs
- Customized approach basis channel differences and priorities (e.g. Wholesalers, Hot Tea Shops, Premium grocery)



### Internal Org

- Integrated internal organization across Food and Beverage division
- Focus on alternate channels through dedicated teams - MT, Ecommerce, Food Service (Institutional and Vending)
- Enabling organization to support growth objectives - Shopper Marketing, Analytics



### Channel partners

- Common channel to sell the full portfolio
- Review of channel partners and network



### Tech Enablers

- Digitization across partners and field force within a year
- Digital led supply chain – low cost and more efficient cost cycle

## Impact



### Direct Reach

2x in 12 months



### Revenue Synergies

2x numeric reach in 3+ years



### Cost Synergies

Rationalized structure



### Cost to Serve

Impact of revenue & cost synergies

04

# Business Performance - India

# India: Beverages (Tea and Coffee)



Tata Tea Gold ties up with Amazon for promotions of movie Shakuntala Devi. Multi-platform partnership-leverage e-commerce & online streaming



Tata Tea Chakra Gold launched a Digital Initiative to support the Hot Tea Shops in Tamil Nadu, impacted by the lockdown.

**+8%**  
Revenue Growth

**+4%**  
Volume Growth

## Performance commentary

- April sales significantly impacted followed by high double-digit growth in May and June
- Our premium offering, Tata Tea Gold delivered double-digit growth
- Tata Tea Agni and Spice Mix continued its robust growth momentum
- Increase in profits due to better price realization, efficient management of commodity costs and lower discretionary expenditure.
- Market share gain in the Quarter\*

## Other updates

- Tea prices in India continue to rise, may impact margins in short term
- All Tata Cha stores operational in June'20 with zero contact dine in and delivery.
- Jaago Re tied up with HelpAge India to distribute Food to the elderly in need.

\*Source : Nielsen

# India Foods



Hosted a daily quiz on 'India' for children on the MyJio App. Brand engaged with ~ 6 lac children over a 2 week period.

#BeatTheLockdown initiative with Live Sessions + Tips + videos from renowned Psychologist + Yoga practitioner + Nutritionist. Total Views ~ 65 mn.



#HarDinHaldi - Haldi sampling with milk brands such as Pride of Cows & Savant Dairy. Total engagement ~30,000 + across Mumbai & Pune



TATA CONSUMER PRODUCTS

+19%  
Revenue Growth

+8%  
Volume Growth

## Performance commentary

- High double-digit growth achieved each month of the quarter, despite operational challenges.
- Increase in profits due to better gross margin, lower trade spends and lower discretionary expenditure.
- Salt revenues grew 11%. Record sales volumes achieved for Tata Salt in May and June.
- Pulses and Spices delivered robust growth >50%

## Other updates

- Ensured continuity of operations despite challenges account of lockdowns and labour shortage
- Content-to-commerce platform, Tata Nutri Korner ([www.tatanutrikorner.com](http://www.tatanutrikorner.com)), has begun direct-to-consumer order fulfillment
- Recyclable packaging scaled upto ~ 45% of the Tata salt volumes

# NourishCo (100% Subsidiary)#



Himalayan  
June 15 at 11:17 AM ·  
Hydration is the first step to wellness. Give your body the natural goodness of water. Start your journey to better health. #HydrateWithHimalayan



Himalayan social media campaign #hydratewithhimalayan aim to drive better health and wellness with the natural goodness of water

TATA CONSUMER PRODUCTS

46 Cr  
Revenue

-34%

Revenue Decline

30%

EPR\* Coverage

\*Extended Producer Responsibility (In 2019)

## Acquisition Update

- Completed acquisition of entire stake of PepsiCo in NourishCo and Rights over the “Glucoplus/Gluco+” brand at a total consideration of Rs 29 Cr
- Integration with TCP underway
- New organization structure in place with Vikram Grover as MD & CEO of NourishCo
- Concentrate Supply for 5 years R&D support for 3 years

## Performance Update & Other Updates

- Volumes declined due to reduced on-the-go consumption due to Covid.
- Himalayan continues to maintain customer engagement digitally with health and wellness related initiatives
- Total revenues in May and June has bounced back to ~85% of last year levels.

#NourishCo performance for the quarter as separate legal entity

# Tata Coffee (inc Vietnam) (~58% Subsidiary)



ICD Theni won the Star Award in the 'Safety and Health Awards' category organized by National Safety Council - Tamil Nadu chapter

**+12%#**  
Revenue Growth

**+18%**  
Plantations  
Volume Growth

**+6%**  
Extractions  
Volume Growth

## Performance commentary

- Topline grew by 12% (10% in constant currency terms) led by Vietnam and Plantations business
- **Plantations**
- Plantations business grew by 17% (+18% volume growth). Highest ever sales of Coffee in a quarter

### Extractions

- Overall extraction business grew by 14% (+6% volume growth) led by Vietnam business
- India extraction business decline by-30% in value terms being adversely impacted due to reduced exports on account of COVID.

## Other updates

- Vietnam plant now operating at ~87% of its production capacity and has turned EBIT positive
- Significant growth in sale of pepper and timber
- Steep decline in supplies to domestic out of home business
- Demand for Instant Coffee continues to face headwinds due to the Covid impact



The best eco-friendly technologies are used to enrich the soil, water, biodiversity of the regions in and around our estates

# Tata Coffee including Vietnam. Does not include EOC

# Tata Starbucks (JV)



Drive Through at Zirakpur near Chandigarh



Mobile Order & Pay

**-87%**  
Revenue decline

**187**  
Stores

**11**  
Cities

## Performance commentary

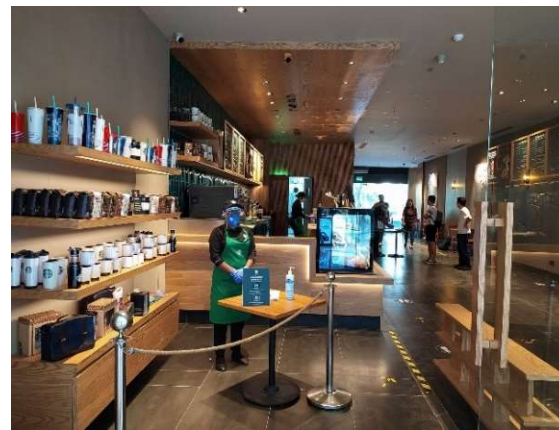
- Despite challenges ~60% stores have now re-opened.
- Revenue growing every month. June revenue was ~27% of last year levels
- Takeaway contribution @ 82% and Delivery at 18%
- Significant savings achieved through rental renegotiations
- Opened India's first Starbucks Drive through at Zirakpur near Chandigarh
- Activated alternate operating channels to reach out to customers: Multi Vendor for delivery, What's App for Business
- Cautious approach with new stores

## Other updates

- **#ReconnectWithStarbucks** campaign launched for customer engagement on social media along with Influencers.
  - Total Influencers - 13
  - Total Social Media Reach -3.5 mn
  - PR Value -INR 18.5 mn
- Tata Starbucks took part in Starbucks' commitment of \$10 Million in COVID-19 relief for partners around the world
- All India Coffee meet conducted for 500+ coffee enthusiasts, launching new ways to connect with customers- At Home Coffee Brewing & storytelling
- Taking a big leap : **#StarbucksDanceChallenge**



#ReconnectWithStarbucks  
Influencer Outreach



Re-opening of stores with highest level of safety and hygiene standards

05

# Business Performance - International





Good Earth's range of Fruit & herbal, Green and Black teas launched in UK along with the Original and flavoured Kombucha

Tetley Cold Infusions ran "Add a little fruitiness to your water" campaign with social media influencers for driving awareness & trials



**12%**  
Revenue Growth

**20.5%**  
Value Market share  
(in everyday black)\*

## Performance commentary

- Strong revenue growth of 12% with volume growth of 7%
- Improved profits on account of higher sales and improved gross margins
- Discounter channel continues to be biggest growth driver, with growth across all Key Accounts
- Continued investing behind the brand with our TVC campaign ("Now we're Talking").
- The OOH channel is growing despite lockdown, on the back of DEFRA supply (government food packs)

## Other updates

- Good Earth teas and Kombucha launched in the UK to create new teas occasions and beverages for a new generation of consumers
- With lockdown easing now, some normalcy in demand is being witnessed

Source: \*Nielsen - Moving Annual Total (MAT) basis  
# DFRA – Department for Environment Food & Rural Affairs

# USA



All American Classic S'mores coffee launched as part of the Flavors of America line.



Tetley Flavours of India

A tea that says Namaste

**26%**  
Coffee Revenue Growth

**5.0%**  
\*Bags Coffee Market Share

## Performance commentary

- **Coffee:** Robust revenue growth 26% in value and 27% in volume terms; growth seen across both Branded and Private Label Coffee business.
- **Tea (excluding Empirical):** Strong revenue growth of 25% in value and 26% in volume terms
- Accelerated growth in e-commerce, especially in Grocery "Click & Collect"
- Food service (Empirical) business down significantly due to impact of Covid on the US Food Service industry.

## Other updates

- Eight O'clock Coffee donated part proceeds from sales of its Flavors of America coffee to the organization 'Feeding America'

Source: \*Nielsen - Moving Annual Total (MAT) basis – June'20

# Canada



Tetley Cold Infusions launched in Canada. Product shipped to most major retailers, current distribution level of over 50%.

**32%**  
Revenue Growth

**29.2%**  
\*Market share

## Performance commentary

- Strong revenue growth of 32% and volume growth of 28% largely driven by pantry loading and retailer re-stocking
- Growth continues to outpace the category –both Regular and Specialty
- Food service sales still very soft
- Improved profits driven by sales and reduced overheads

## Other updates

- Over all market share up by 0.4%
- Cold infusions launch was supported by social media campaigns, direct-to-consumer sampling and PR.
- Over 100k samples distributed to healthcare workers in Canada

Source: \*Nielsen - Moving Annual Total (MAT) basis – June'20



Cold Infusions instore display



Tetley Super Teas social media campaign promoting its health benefits

# Brand Campaigns



Tata Tea Jaago Re continued its '**Iss Baar #BadonKeLiye**' campaign to inspire individuals to help & care for the elderly during Covid 19. More than 6500 people pledged their support (online).

**TATA CONSUMER PRODUCTS**



**#HarDinHaldi**, campaign on social media with easy recipes to help you incorporate Haldi to your daily routine in a fun way.



**#StarbucksAtHome** campaign amplified by key influencers across entertainment, fashion, lifestyle platforms



**Tetley UK** Cold Infusions campaign "Add a little fruitiness to your water" ran across social media with engaging video content with social media power influencers such as Megan Rose Lane.

<https://www.facebook.com/Tetley/videos/585538849063026>



**Tetley Canada** cold Infusions campaign focused on "Unboring" your cold water". The campaign features prominent Olympic gold medalist swimmer Penny Oleksiak.



**Eight O' Clock Coffee USA** campaign launching All American Classic S'mores as part of the Flavors of America line.

<https://www.youtube.com/watch?v=6OOK8h6y0n4&feature=youtu.be>

06

# Responsible Business

# Sustainability: Value Chain, Communities & Climate



Tata Consumer Products aims to support development programs for

**1 million community members**



Trustea Program verifies 680 Mn. kgs of Indian Tea, positively impacting over 6,00,000 workers and 57,000 Small Tea growers.



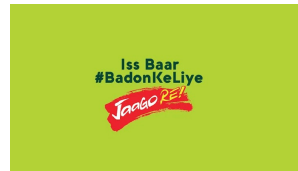
UNICEF's Improving Lives program to reach 250,000 beneficiaries



Affordable Healthcare for 100,000 persons in Munnar and Assam



A proud supporter of Canadian Cancer Society through 'pink pack' sale contributing \$700,000 since launch.



Distributing 5000 food kits in 10 states to elderly with HelpAge



'Celebrating Biodiversity' theme events on World Environment Day & Tata Sustainability Month

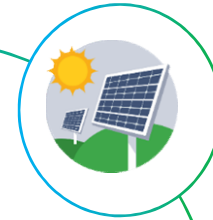
## Climate Leadership

We are one of the 6 companies in India on CDP A- list



## Renewable Energy

12% of the energy in production from solar power



## Decoupling Emissions from growth

Carbon footprint decreased 30% in 2010-19

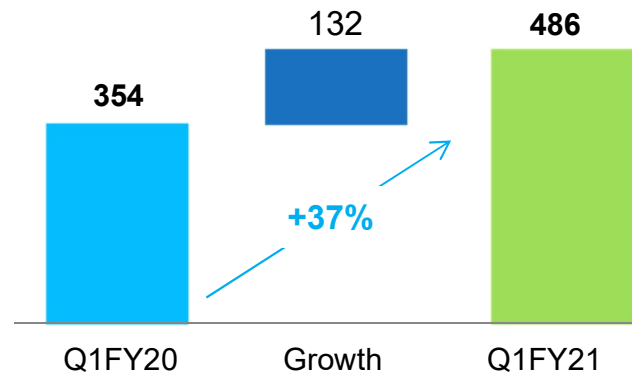
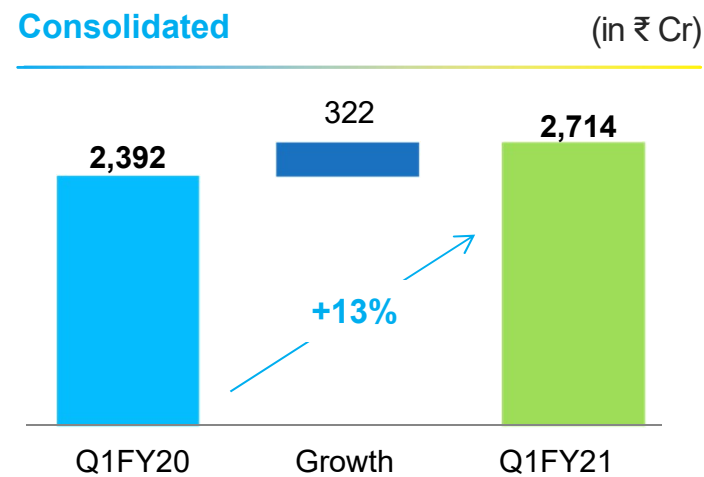
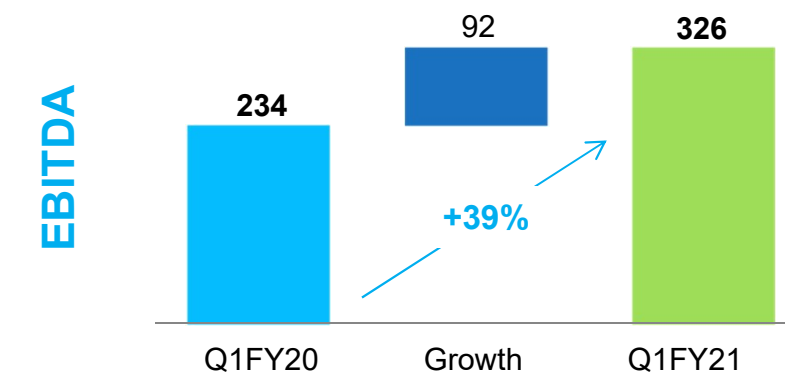
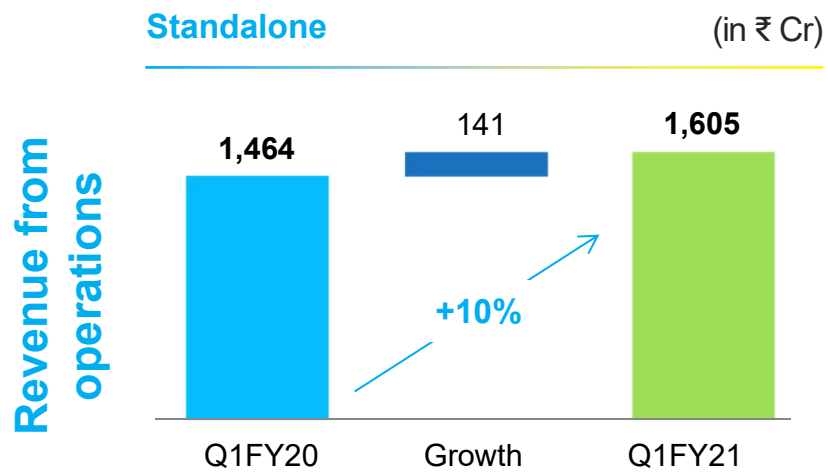
## Circular Economy

UK Plastics Pact – 100% recyclable, reusable, compostable by 2025  
.Extended Producer Responsibility India for 13,000 tons plastic waste.

07

# Financial Performance

# Highlights – for the quarter ended June 20



## REVENUE:

Group Revenue grew by 13%

- **India beverages** (incl. Nourishco #) grew by 11%, Tea business grew by 8%.
- **India foods** higher by 19%.
- **International Business** excluding foodservice, grew by 23% (+16% in constant currency terms)
- **Foodservice (International)** declined by 56%
- **Tata Coffee incl. Vietnam**, achieved growth of 12% led by Plantations and Vietnam partly offset by decline in Domestic Extraction business

## EBITDA:

Group EBITDA growth of 37%

- **India foods and beverages** EBITDA improved with better realizations, favorable commodity costs and lower discretionary expenditure
- **International business**, excluding foodservice, profits improved across most of geographies (except Australia) with higher sales, gross margin expansion and cost reduction initiatives
- **Tata Coffee** incl. Vietnam – profits almost flat against previous year with higher Vietnam profits offset by decline in Domestic Extractions and Plantations.

#including impact of NourishCo as a subsidiary effective May'20.



# Financials: Standalone and Consolidated

| Standalone   |            |            | Profit and Loss statement<br>(all nos. in ₹ Crores) | Consolidated |            |            |
|--|------------|------------|---|--------------|------------|------------|
| Q1 FY21  | Q1 FY20    | Change %   |   | Q1 FY21      | Q1 FY20    | Change %   |
| 1,605  | 1,464      | 10%        | Revenue from operations                             | 2,714        | 2,392      | 13%        |
| <b>326</b>   | <b>234</b> | <b>39%</b> | <b>EBITDA</b>                                       | <b>486</b>   | <b>354</b> | <b>37%</b> |
| 20.3%  | 16.0%      | 4.3%       | %   | 17.9%        | 14.8%      | 3.1%       |
| <b>296</b>   | <b>209</b> | <b>42%</b> | <b>EBIT</b>   | <b>424</b>   | <b>296</b> | <b>43%</b> |
| 18.4%  | 14.3%      | 4.4%       | %   | 15.6%        | 12.4%      | 3.2%       |
| <b>335</b>   | <b>243</b> | <b>38%</b> | <b>Profit before exceptional items</b>              | <b>436</b>   | <b>308</b> | <b>42%</b> |
| 20.9%  | 16.6%      | 4.3%       | %   | 16.1%        | 12.9%      | 3.2%       |
| (21)   | (8)        |            | Exceptional items                                   | 63           | (8)        |            |
| (82)   | (80)       | 2%         | Tax   | (110)        | (102)      | 8%         |
| <b>232</b>   | <b>154</b> | <b>50%</b> | <b>PAT</b>  | <b>389</b>   | <b>198</b> | <b>97%</b> |
| 14.5%  | 10.6%      | 3.9%       | %   | 14.3%        | 8.3%       | 6.1%       |
| <b>Group Net Profit (incl. JVs &amp; Associates)</b> |            |            |   | <b>346</b>   | <b>190</b> | <b>82%</b> |

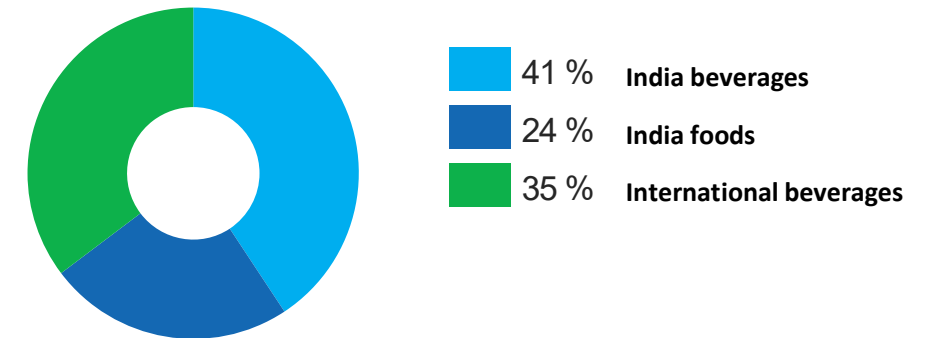
**Group Consolidated Net Profits** for the year grew by 82% against previous year on account of following :

- Increase in EBITDA as a result of higher sales, gross margin improvement and rationalization of discretionary expenditure.
- Exceptional income due to gains on conversion of NourishCo from a Joint venture to Subsidiary partly offset by costs related to Integration of India foods and beverages businesses.
- Partly offset by; higher losses from Associates and JV's due to business disruptions caused due to COVID-19 globally

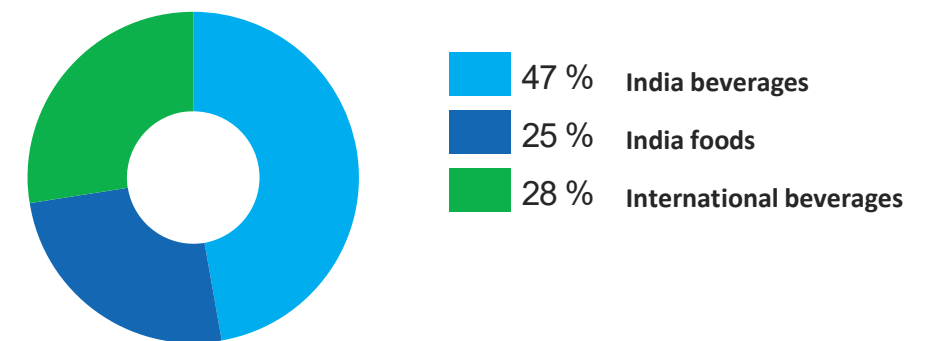
# Segment-wise Performance (for the quarter ended June 2020)

| Particulars                   | Segment Revenue |              |              | Segment Results |            |            |            |
|-------------------------------|-----------------|--------------|--------------|-----------------|------------|------------|------------|
|                               | INR Cr          | Q1 FY21      | Q1 FY20      | Change (%)      | Q1 FY21    | Q1 FY20    | Change (%) |
| India Beverages               |                 | 1,000        | 901          | 11%             | 215        | 138        | 56%        |
| India Foods                   |                 | 589          | 495          | 19%             | 115        | 74         | 54%        |
| International Beverages       |                 | 867          | 754          | 15%             | 125        | 79         | 58%        |
| <b>Total Branded business</b> |                 | <b>2,457</b> | <b>2,151</b> | <b>14%</b>      | <b>455</b> | <b>292</b> | <b>56%</b> |
| Non branded business          |                 | 264          | 243          | 9%              | 14         | 22         | (36%)      |
| Others / Unallocated items    |                 | (7)          | (1)          |                 | 30         | (14)       |            |
| <b>Total</b>                  |                 | <b>2,714</b> | <b>2,392</b> | <b>13%</b>      | <b>499</b> | <b>300</b> | <b>67%</b> |

## Revenue - Branded business



## Segment results – Branded business



08

# Outlook and Priorities

# Outlook

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## Macros

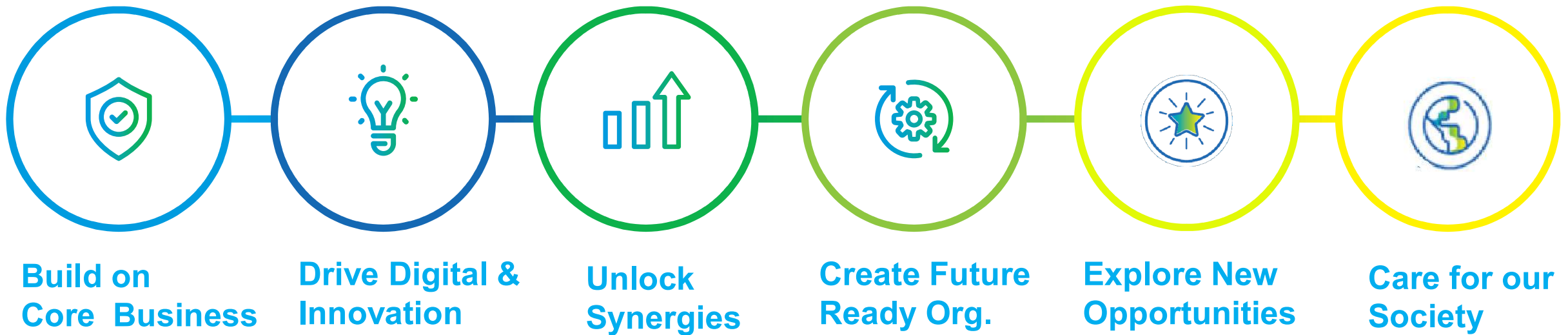
- Covid-19 pandemic continues to spread globally and in India with new disease hotspots (16.5mn globally & 1.5mn in India)
- GDP forecast for 2020 continues to be grim (Global: ~ -5%, India: ~-6% as per latest estimates)
- Consumer sentiments still at significantly lower levels as compared to pre Covid-19 levels
- Some of the consumer performance parameters are gradually coming back to normal; Rural will lead revival in India
- Demand for in-home and essentials continues to be robust both in India and globally

## Business

- Sporadic and sudden lock down across the Countries & States/Cities in India causing demand and supply shocks
- Pantry loading normalizing globally; In India, after a decline in April/May, growth observed in June with easing of lockdown
- The out of home and food service continues to face significant headwinds globally
- Increase in the cost of tea in India due to Covid and flood disruptions may impact demand and margins in the short term
- Execution of Integration plans of India Beverages and Foods Business on track & will bear long term benefits

# Focus & Priorities

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**Thank You**

# For more information

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TataConsumer



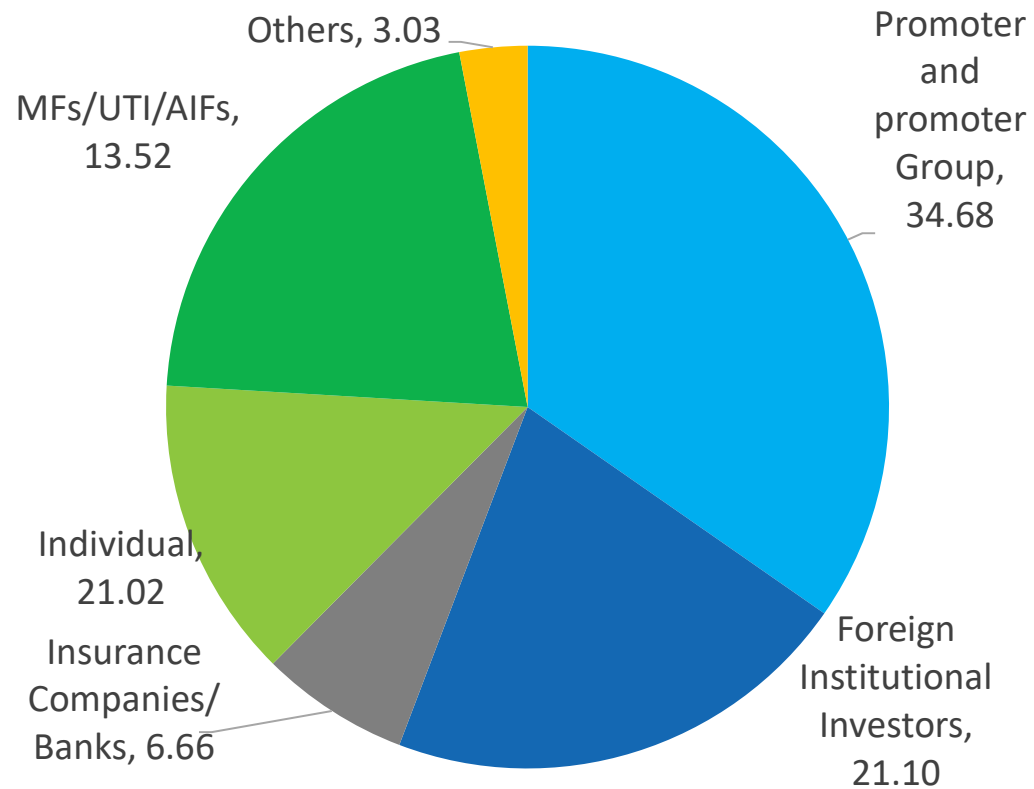
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# Shareholding Information

## Pattern as on July 31, 2020



## Stock data

|                                      |            |
|--------------------------------------|------------|
| BSE Ticker                           | 500800     |
| NSE Ticker                           | TATACONSUM |
| Market Capitalization (31 July 2020) | ₹ 394 Bn.  |
| Number of Shares Outstanding         | 921.55 Mn. |