

# INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Consumer Products Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Tata Consumer Products Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SA"s). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Impairment of investments in an associate</b></p> <p>During the current financial year, an associate has incurred significant losses as it has not been able to recover increase in input costs through increased prices. This has triggered an impairment assessment of carrying value of investments of ₹288 crore (equity shares ₹82 crore and preference shares ₹206 crore) in the associate in standalone financial statements of the Company. The Company also engaged a valuation expert to evaluate the recoverable value of the entity through sale of its assets.</p>	<p>Besides obtaining an understanding of Management's processes and controls with regard to testing the investments for impairment, our procedures included the following:</p> <p>a) We understood the methodology applied by Management in performing its impairment test for the investments at fair value and cost and walked through the controls over the process.</p> <p>b) We challenged the assumptions made by Management for the input data used by Management through discussions, comparisons to industry peers and other available independent external data sources. We also performed sensitivity analysis on the key assumptions</p>



## INDEPENDENT AUDITOR'S REPORT

### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors including Annexures thereto, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

## INDEPENDENT AUDITOR'S REPORT

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of

most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



## INDEPENDENT AUDITOR'S REPORT

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- b. The Management has represented, that, to the best of its knowledge and belief,

no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The amount of dividend is in accordance with Section 123 of the Act.

- a. The dividend proposed in the previous year and declared and paid by the Company during the year is in accordance with Section 123 of the Act.

- b. The Board of Directors of the Company has proposed a dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

**Sanjiv V Pilgaonkar**  
Partner  
(Membership No.039826)  
UDIN: 22039826AJDLB2352

Place: Mumbai  
Date: May 4, 2022

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

We have audited the internal financial controls over financial reporting of Tata Consumer Products Limited (the “Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.



## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively

as at March 31, 2022, based on the criteria for internal financial controls over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Sanjiv V Pilgaonkar**  
Partner  
(Membership No.039826)  
UDIN: 22039826A1JDLB2352

Place: Mumbai  
Date: May 4, 2022

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

**(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and capital work-in-progress.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment and capital work-in-progress to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) The Company has made investments in, and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, in respect of which:

- a) The Company has provided loans during the year and details of which are given below:

Rs. in Crores	
	<b>Loans</b>
A. Aggregate amount granted / provided during the year:	
Subsidiaries	49.00
Others – Inter Corporate Deposits (“ICD”)	1234.75
B. Balance outstanding as at balance sheet date in respect of above cases:	
Subsidiaries	14.75
Associates	16.50
Others	541.00

The Company has not provided any guarantee or security to companies, firms, limited liability partnerships or other parties.



## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

- b) The investments made, and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3 (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3 (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (Rs. in Crores)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals), Kochi	2004-05, 2007-08 and 2008-09	2.10
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal, New Delhi	2009-10	0.01
Central Sales Tax Act, 1956	Sales Tax	Additional Commissioner (Appeals) – Kolkata	2017-18	0.07
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	Madras High Court	1998-99 to 2006-07	0.57
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner Indore, Madhya Pradesh	2011-12 & 2013-14	1.32

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Name of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (Rs. in Crores)
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner Appeals, Coimbatore	2012-13	0.05
West Bengal Value Added Tax Act, 2003	West Bengal Value Added Tax	Additional Commissioner (Appeals) – Kolkata	2017-18	1.14
West Bengal Value Added Tax Act, 2003	West Bengal Value Added Tax	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata	2007-08 and 2008-09	1.36
Goa Value Added Tax Act, 2005	Goa Value Added Tax	Commissioner of Commercial Tax, Goa	2006-07	0.01
Madhya Pradesh Entry Tax Act, 1976	Entry Tax	The Supreme Court of India	2011-12	0.82
Madhya Pradesh Entry Tax Act, 1976	Entry Tax	The High Court of Madhya Pradesh	2010-11	2.06
Finance Act, 1994	Service Tax	Commissioner Appeals, Bangalore	Apr 2015 to Jun 2017	0.04
Finance Act, 1994	Service Tax	Custom Excise and Service Tax Appellate Tribunal, Kolkata	2005-06	1.46
Bihar VAT Act, 2003	Bihar Value Added Tax	Commissioner Appeals, Patna	2016-17	0.03

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3 (ix)(a) of the Order is not applicable to the Company.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3 (ix)(c) of the Order is not applicable.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) We report that the Company has neither taken any funds from any entity or person during the year nor it had any unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year and hence, reporting under clause 3 (ix)(e) of the Order is not applicable.
- f) The Company has not raised any loans during the year and hence reporting under clause 3 (ix) (f) of the Order is not applicable.
- (x) a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3 (x)(a) of the Order is not applicable.
- b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3 (x)(b) of the Order is not applicable to the Company.
- (xi) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, while determining the nature, timing and extent of our audit procedures.



## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable.
- b) There are 5 Core Investment Companies ("CIC"s) in the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) that are registered with the Reserve Bank of India ("RBI") and 1 CIC which is not required to be registered with the RBI.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility ("CSR") and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Act, or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3 (xx) of the Order is not applicable for the year.
- (xxi) According to the information and explanations given to us, and based on the reports, issued by the auditors of the subsidiaries, associates and joint ventures included in the consolidated financial statements of the Company, to which reporting on matters specified in paragraph 3 and 4 of the Order is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their Companies (Auditor's Report) Order, 2020 reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO reports.

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

**Sanjiv V Pilgaonkar**  
Partner  
(Membership No.039826)  
UDIN: 22039826A1JDLB2352

Place: Mumbai  
Date: May 4, 2022

# BALANCE SHEET

as at March 31, 2022

	Note	2022	2021
Rs. in Crores			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	296.93	258.30
Capital Work-in-Progress	3A	2.58	46.46
Right of Use Asset	4	210.97	224.64
Goodwill	5	3578.51	3578.51
Other Intangible Assets	5	2477.64	2509.90
Intangible Asset under Development	6	37.18	16.44
<b>Financial Assets</b>			
Investments	7	3368.76	2605.19
Loans	8	13.80	21.71
Other Financial Assets	9	104.44	103.59
Non-Current Tax Assets (Net)	20 (c)	121.97	122.61
Other Non-Current Assets	10	86.27	88.91
		<b>10299.05</b>	<b>9576.26</b>
<b>Current assets</b>			
Inventories	11	1271.94	1408.37
<b>Financial Assets</b>			
Investments	7	156.94	287.77
Trade Receivables	12	281.76	257.23
Cash and Cash Equivalents	13	327.40	644.74
Other Bank Balances	14	1,001.21	968.95
Loans	8	559.70	3.79
Other Financial Assets	9	48.75	31.57
Other Current Assets	10	279.46	253.08
		<b>3927.16</b>	<b>3855.50</b>
<b>TOTAL ASSETS</b>		<b>14226.21</b>	<b>13431.76</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15 (a)	92.16	92.16
Other Equity	15 (b)	11669.75	11131.94
<b>TOTAL EQUITY</b>		<b>11761.91</b>	<b>11224.10</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Lease Liabilities		205.19	215.30
Other Financial Liability		76.91	76.20
Provisions	17	135.32	148.21
Deferred Tax Liabilities (Net)	20 (e)	511.22	367.55
		<b>928.64</b>	<b>807.26</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease Liabilities		29.71	28.94
Trade Payables	18		
Total outstanding dues of Micro enterprises and Small enterprises		29.64	13.96
Total outstanding dues of creditors other than Micro enterprises and Small enterprises		1234.10	1088.67
Other Financial Liabilities	16	77.68	81.93
Other Current Liabilities	19	96.66	99.73
Provisions	17	62.74	82.04
Current Tax Liability (Net)	20 (d)	5.13	5.13
		<b>1535.66</b>	<b>1400.40</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>14226.21</b>	<b>13431.76</b>

The accompanying notes are an integral part of the Financial Statements.

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, May 4, 2022

For and on behalf of the Board

**N. Chandrasekaran**

Chairman

(DIN 00121863)

**Sunil D'Souza**

Managing Director &amp; CEO

(DIN 07194259)

**John Jacob**

Chief Financial Officer

**K P Krishnan**

Director

(DIN 01099097)

**L. Krishna Kumar**

Executive Director

(DIN 00423616)

**Neelabja Chakrabarty**

Company Secretary



# STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

		Rs. in Crores	
	Note	2022	2021
<b>Income</b>			
Revenue from Operations	21	7932.29	7154.36
Other Income	22	238.96	133.01
<b>Total Income</b>		<b>8171.25</b>	<b>7287.37</b>
<b>Expenses</b>			
Cost of Materials Consumed	23	3195.72	3421.65
Purchases of Stock-in-Trade		1701.63	1425.63
Change in Inventories of Finished Goods/Stock-in-Trade/Work-in-Progress	24	46.40	(116.90)
Employee Benefits Expense	25	348.41	321.58
Finance Costs	26	29.78	28.13
Depreciation and Amortisation Expense		141.75	126.21
Advertisement and Sales Charge		511.25	396.83
Other Expenses	27	1017.99	787.00
<b>Total Expenses</b>		<b>6992.93</b>	<b>6390.13</b>
<b>Profit before Exceptional Items and Taxes</b>		<b>1178.32</b>	<b>897.24</b>
Exceptional Items (Net)	28	(27.23)	(61.10)
<b>Profit before Tax</b>		<b>1151.09</b>	<b>836.14</b>
<b>Tax Expenses</b>	20(a)		
Current Tax		130.09	(1.05)
Deferred Tax		135.25	217.68
		<b>265.34</b>	<b>216.63</b>
<b>Profit for the year</b>		<b>885.75</b>	<b>619.51</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of defined benefit plans		30.15	(4.44)
Changes in fair valuation of equity instruments		4.98	5.87
		<b>35.13</b>	<b>1.43</b>
Tax Impact on above items		(9.06)	0.01
		<b>26.07</b>	<b>1.44</b>
<b>Items that will be reclassified to profit or loss</b>			
Gains/(loss) on effective portion of cash flow hedges		(1.65)	2.62
Tax Impact on above items		0.41	(0.66)
		<b>(1.24)</b>	<b>1.96</b>
<b>Other Comprehensive Income for the year</b>		<b>24.83</b>	<b>3.40</b>
<b>Total Comprehensive Income for the year</b>		<b>910.58</b>	<b>622.91</b>
<b>Earnings per share</b>	33		
Equity share of nominal value Re. 1 each			
Basic		9.61	6.72
Diluted		9.61	6.72

The accompanying notes are an integral part of the Financial Statements.

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

For and on behalf of the Board

**N. Chandrasekaran**

Chairman

(DIN 00121863)

**Sunil D'Souza**

Managing Director & CEO

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**John Jacob**

Chief Financial Officer

**K P Krishnan**

Director

(DIN 01099097)

**L. Krishna Kumar**

Executive Director

(DIN 00423616)

**Neelabja Chakrabarty**

Company Secretary

Mumbai, May 4, 2022

# STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

## EQUITY SHARE CAPITAL AND OTHER EQUITY (REFER NOTE 15)

Particulars	Equity Share Capital	Reserves and Surplus					Other Comprehensive Income			Total Other Equity	
		Capital Reserve	Securities Premium	Contingency Reserve	Revaluation Reserve	General Reserve	Share Based Payments Reserve	Retained Earnings	Effective portion of cash flow hedge		Fair Value gain/(loss) on Equity Instruments
Balance as at 1 April, 2020	92.16	15.79	6430.87	1.00	21.86	1143.31	-	3136.45	(1.13)	9.70	10757.85
Profit for the year	-	-	-	-	-	-	-	619.51	-	-	619.51
Other Comprehensive Income	-	-	-	-	-	-	-	(4.26)	1.96	5.70	3.40
Total Comprehensive Income for the year	-	-	-	-	-	-	-	615.25	1.96	5.70	622.91
Transaction with owners in their capacity as owners:	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	(248.82)	-	-	(248.82)
Balance as at 31 March, 2021	92.16	15.79	6430.87	1.00	21.86	1143.31	-	3502.88	0.83	15.40	11131.94
Profit for the year	-	-	-	-	-	-	-	885.75	-	-	885.75
Other Comprehensive Income	-	-	-	-	-	-	-	22.56	(1.24)	3.51	24.83
Total Comprehensive Income for the year	-	-	-	-	-	-	-	908.31	(1.24)	3.51	910.58
Share - based payments (Refer Note 25)	-	-	-	-	-	-	0.46	-	-	-	0.46
Transaction with owners in their capacity as owners:	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	(373.23)	-	-	(373.23)
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income	-	-	-	-	-	-	-	0.80	-	(0.80)	-
Balance as at 31 March, 2022	92.16	15.79	6430.87	1.00	21.86	1143.31	0.46	4038.76	(0.41)	18.11	11669.75

The accompanying notes are an integral part of the Financial Statements.

In terms of our report attached

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

For and on behalf of the Board

**N. Chandrasekaran**

Chairman

(DIN 00121863)

**K P Krishnan**

Director

(DIN 01099097)

**Sanjiv V. Pilgaonkar**

Partner

Membership No. 039826

**Sunil D'Souza**

Managing Director & CEO

(DIN 07194259)

**L. Krishna Kumar**

Executive Director

(DIN 00423616)

Mumbai, May 4, 2022

**John Jacob**

Chief Financial Officer

**Neelabja Chakrabarty**

Company Secretary



# STATEMENT OF CASH FLOW

for the year ended March 31, 2022

Rs in Crores

	2022	2021
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	1151.09	836.14
Adjusted for :		
Depreciation and Amortisation	141.75	126.21
Dividend Income	(145.97)	(55.20)
Unrealised Exchange Loss / (Gain)	(0.03)	0.27
Finance Cost	29.78	28.13
Fair Value movement in Financial Instruments designated at Fair Value through profit or loss	(13.49)	(8.11)
Interest Income	(71.95)	(57.96)
Profit on sale of Current Investments (net)	(7.39)	(11.57)
Impairment loss recognised in trade receivables (net of reversal)	-	20.46
(Profit) / Loss on sale of Property, Plant & Equipment (net)	3.27	0.49
Other Exceptional Expense/(Income)(net)	27.23	61.10
	(36.80)	103.82
<b>Operating Profit before working capital changes</b>	<b>1114.29</b>	<b>939.96</b>
Adjustments for :		
Trade Receivables & Other Assets	(60.59)	36.02
Inventories	136.43	(488.42)
Trade Payables & Other Liabilities	111.29	586.19
	187.13	133.79
<b>Cash generated from Operations</b>	<b>1301.42</b>	<b>1073.75</b>
Direct Taxes paid (net)	(143.10)	(9.52)
	(143.10)	(9.52)
<b>Net Cash from / (used in) Operating Activities</b>	<b>1158.32</b>	<b>1064.23</b>
<b>B. Cash Flow from Investing Activities</b>		
Payment for Property, Plant and Equipment and Intangibles	(93.25)	(146.89)
Sale of Property, Plant and Equipment	4.40	0.17
Sale of Non Current Investments carried at Fair value through OCI	1.05	-
Acquisition of Subsidiaries	(465.00)	(168.80)
Investment in Joint Ventures	(86.00)	(97.50)
Investment in Subsidiary	(45.13)	-
Investment in Associate	(150.00)	-
Dividend Income received	145.97	55.20
Interest Income received	64.35	54.17
(Purchase) / Sale of Current Investments (net)	138.22	448.31
(Placement) / Redemption of Fixed deposits (net)	(30.92)	(473.71)
Inter Corporate Deposits & Loans (Net)	(548.00)	(3.00)
<b>Net Cash from / (used in) Investing Activities</b>	<b>(1064.31)</b>	<b>(332.05)</b>

# STATEMENT OF CASH FLOW

for the year ended March 31, 2022

Rs in Crores

	2022	2021
<b>C. Cash Flow from Financing Activities</b>		
Working Capital Facilities (net)	-	(35.00)
Payment of Lease Liabilities	(31.21)	(27.81)
Dividend paid	(373.23)	(248.82)
Finance Cost paid	(20.33)	(19.05)
Refund of Dividend Distribution Tax paid in an earlier year	13.42	-
<b>Net Cash from / (used in) Financing Activities</b>	<b>(411.35)</b>	<b>(330.68)</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents</b>	<b>(317.34)</b>	<b>401.50</b>
<b>D. Cash and Cash Equivalents balances</b>		
Balances at the beginning of the year	644.74	243.24
<b>Balances at the end of the year</b>	<b>327.40</b>	<b>644.74</b>

The accompanying notes are an integral part of the Financial Statements.

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, May 4, 2022

For and on behalf of the Board

**N. Chandrasekaran**

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**L. Krishna Kumar**

Executive Director

(DIN 00423616)

**Neelabja Chakrabarty**

Company Secretary



# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## 1. GENERAL INFORMATION

Tata Consumer Products Limited ("the Company") and its subsidiaries (together referred to as 'the Group') and the Group's associates and joint ventures are engaged in the trading, production and distribution of Consumer products mainly Tea, Coffee, Water, Salt, Pulses, Spices, Snacks, Ready-to-Eat packaged foods products etc collectively termed as branded business. The Group has branded business mainly in India, Europe, US, Canada and Australia. The non-branded plantation business is in India and tea and coffee extraction businesses are mainly in India, Vietnam and the US.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Kolkata, West Bengal, India. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India.

The financial statements for the year ended March 31, 2022 were approved for issue by Company's Board of Directors on May 4, 2022.

## 2. PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

### 2.1 Basis of preparation and measurement

#### (a) Basis of preparation

The financial statements are prepared in accordance with and in compliance, in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read along with Companies (Indian Accounting Standards) Rules, as amended and other relevant provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

#### (b) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the criteria of realisation/settlement within a twelve month period from the balance sheet date.

### 2.2 Significant Accounting Policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Business Combinations

The Company applies the acquisition method to account for business combination. The consideration transferred for the acquisition of a business comprises the,

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Company, and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill, if the consideration is lower, the gain is recognised directly in equity as capital reserve. In case, business acquisition is classified as bargain purchase, the aforementioned gain is recognised in the other comprehensive income and accumulated in equity as capital reserve.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, with adjustments only to harmonise accounting policies.

Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred by the Company is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the statement of profit and loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## (b) Property, Plant and Equipment

### i) Recognition and measurement:

Property, plant and equipment including bearer assets are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the item. Subsequent expenditure is added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replacements are derecognised. All repairs and maintenance are charged to the statement of profit and loss during the financial year in which they are incurred.

### ii) Depreciation:

Depreciation is provided on assets to get the initial cost down to the residual value, including on asset created on lands under lease. Land is not depreciated. Depreciation is provided on a straight line basis over the estimated useful life of the asset as prescribed in Schedule II to the Companies Act, 2013 or based on a technical evaluation of the asset. Cost incurred on assets under development are disclosed under capital work in progress and not depreciated till asset is ready to use.

The residual values and useful lives for depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or exchange.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised in the statement of profit and loss.

### iii) Estimated useful lives of items of property, plant and equipment are as follows:

Category	Useful life
Leasehold buildings/ improvements	Lower of lease term or useful life
Buildings	30 to 60 years
Plant and Machinery	10 to 25 years
Furniture and Fixtures and other Office Equipments	5 to 16 years
Computer, Printers and other IT Assets	2 to 5 years
Motor Vehicles	8 to 10 years

## (c) Biological Assets

Biological assets are classified as bearer biological assets and consumable biological assets. Consumable biological assets are those that are to be harvested as agricultural produce. Bearer biological assets which are held to bear agricultural produce are classified as Bearer assets.

The Company recognises tea bushes and shade trees as bearer assets, with further classification as mature bearer assets and immature bearer assets. Mature bearer plants are those that have attained harvestable stage.

Bearer assets are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure on bearer assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost incurred for new plantations and immature areas are capitalised. The cost of immature areas coming into bearing is transferred to mature plantations and depreciated over their estimated useful life which has been ascribed to be within the range of 50 years.

Tea is designated as agricultural produce at the point of harvest and is measured at their fair value less cost to sell as at each reporting date. Any changes in fair value are recognised in the statement of profit and loss in the year in which they arise.



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### (d) Investment Property

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Company, are classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Investment properties are depreciated using the straight line method over the useful lives. Depreciable investment properties have been ascribed a useful life in the range of 60 years.

### (e) Intangible Assets

#### (i) Goodwill

Goodwill arising on a business combination represents the excess of the fair value of consideration over the identifiable net asset acquired. Fair value of consideration represents the aggregate of the consideration transferred, a reliable estimate of contingent consideration payable, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree on the acquisition date. Net assets acquired represents the fair value of the identifiable assets acquired and liabilities assumed.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Cash generating units (CGUs), or groups of CGUs, that is expected to benefit from the acquisition itself or from the synergies of the combination or both. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill is not amortised but is tested for impairment. Goodwill impairment reviews are generally undertaken annually. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use

and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed unless the CGU is classified as "Asset held for sale" and there is evidence of reversal. Goodwill is subsequently measured at cost less amounts provided for impairment.

#### (ii) Brands and Trademarks

Brands/trademarks acquired separately are measured on initial recognition at the fair value of consideration paid. Following initial recognition, brands/trademarks are carried at cost less any accumulated amortisation and impairment losses, if any. A brand/trademark acquired as part of a business combination is recognised outside goodwill, at fair value at the date of acquisition, if the asset is separable or arises from contractual or other legal rights and its fair value can be measured reliably.

The useful lives of brands/trademarks are assessed to be either finite or indefinite. The assessment includes whether the brand/trademark name will continue to trade and the expected lifetime of the brand/trademark. Amortisation is charged on assets with finite lives on a straight-line basis over a period appropriate to the asset's useful life. The carrying values of brands/trademarks with finite and indefinite lives are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Brands/trademark with indefinite useful lives are also tested for impairment annually either individually or, if the intangible asset does not generate cash flows that are largely independent of those from other assets or groups of assets, as part of the cash-generating unit to which it belongs. Such intangibles are not amortised. The useful life of a brand with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Brands and trademarks having finite lives have been ascribed a useful life within the range of 10 – 20 years.

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### (iii) Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The customer relationships have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the estimated useful life of the customer relationship. Customer intangibles have been ascribed a useful life to be within the range of 8- 20 years.

### (iv) Distribution Network

Distribution network acquired in a business combination are recognised at fair value at the acquisition date. The distribution networks have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the estimated useful life of the distribution network. Distribution networks have been ascribed a useful life within a range of 8 – 10 years.

### (v) Patent / knowhow

Product development cost incurred on new products having enduring benefits is recognised as an Intangible Asset and are amortised over a period of 10 years.

### (vi) Computer software

Software development costs are expensed unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to develop and sell or use the software and the costs can be measured reliably. Directly attributable costs that are capitalised as part of the software product include the software development cost, related employee costs and an appropriate portion of relevant overheads. Other expenditure that do not meet these criteria are recognised as an expense as incurred, developmental costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which range between 3 to 8 years.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 8 years.

### (vii) Website Cost

The cost incurred for separate acquisition for website for Company's own use is capitalised in the books of accounts of the Company. In case of internally generated website, the cost is capitalised only if the future economic benefits are expected to flow to the entity and if the asset can be controlled by entity as a result of past events.

These costs are amortised over their estimated useful lives of 5 years.

### (viii) Research and Development

Research expenditure is recognised in the statement of profit and loss as and when incurred. Development expenditure is capitalized only if the costs can be reliably measured, future economic benefits are probable, the product is technically feasible and the Company has the intent and the resources to complete the project.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit.

During the period of development, the asset is tested for impairment annually.

### (f) Impairment of tangible and intangible assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest possible levels for which there are independent cash inflows (cash-generating units). Prior impairment of non-financial assets (other than goodwill) are reviewed for possible reversal of impairment losses at each reporting date. Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment.

### (g) Assets held for sale and disposal groups

Non-current assets held for sale and disposal groups are presented separately in the balance sheet when the following criteria are met:

- the Company is committed to selling the asset or disposal group;
- the assets are available for sale immediately;
- an active plan of sale has commenced; and
- sale is expected to be completed within 12 months.

Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

### (h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

##### Initial recognition and measurement

At initial recognition, the Company measures a financial assets at its fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the

financial asset. Transaction cost of financial assets carried at fair value through profit or loss is expensed in the Statement of Profit or loss.

#### Subsequent measurement

##### Debt Instruments:

Subsequent measurement of debts instruments depends on the Company's business model for managing the assets and the cash flows of the assets. The Company classifies its financial assets in the following categories:

- i) **Financial assets at amortised cost** – Assets that are held for collection of contractual cash flows on specified dates where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables and Loans.
- ii) **Financial assets at fair value through other comprehensive income (FVTOCI)** – Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represents solely payments of principal and interest, are on specified dates are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income from these financial assets is included in finance income using the effective interest rate method and impairment losses, if any are recognised in the Statement of Profit and Loss. When the financial asset is derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

- iii) **Financial assets at fair value through profit or loss (FVTPL)** - Financial assets which are not classified in any of the categories above are FVTPL.

### Equity Instruments

All equity investments are measured at fair values. The Company may irrevocably elect to measure the same either at FVTOCI or FVTPL on initial recognition. The Company makes such election on an instrument-by-instrument basis. The fair value changes on the investment are recognised in OCI. The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss.

### Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

### Impairment of financial assets

The Company assesses expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instrument based on Company's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109 – Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

### Financial liabilities

#### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs.

#### Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using effective interest method. Financial liabilities carried at fair value

through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. For trade and other payable maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### Derivative financial instruments and hedging activities

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates certain derivatives as either:

- (a) hedges of the fair value of recognised assets or liabilities (fair value hedge); or
- (b) hedges of a particular risk associated with a firm commitment or a highly probable forecasted transaction (cash flow hedge);

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

Movements in the hedging reserve are accounted in other comprehensive income and are reported within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

when the remaining maturity of hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

### (a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Company only applies fair value hedge accounting for hedging foreign exchange risk on recognised assets and liabilities.

### (b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss.

When a hedging instrument expires or is swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss in other equity remains there and is reclassified to statement of profit and loss when the forecasted cash flows affect profit or loss.

When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the statement of profit and loss.

### Fair value measurement

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.
- ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii) Level 3 - The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

### Offsetting Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### Interest and dividend income

Interest income is recognised within finance income using the effective interest method. When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

Dividend income is recognised when the right to receive payment is established. Incomes from investments are accounted on an accrual basis.

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### (i) Inventories

Raw materials, traded and finished goods are stated at the lower of cost and net realisable value, net realisable value represents the estimated selling price less all estimated cost of completion and selling expenses. Stores and spares are carried at cost. Provision is made for obsolete, slow-moving and defective stocks, where necessary.

Cost is determined on weighted average method for all categories of inventories other than for auction/private bought teas wherein cost is measured at actual cost of each lot. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, include appropriate overheads based on normal level of activity.

In accordance with Ind AS 41- Agriculture, inventories comprising agricultural produce that the Company has harvested from its biological assets are measured on initial recognition at their fair value less costs to sell at the point of harvest.

### (j) Employee Benefits

The Company operates various post-employment schemes, including both defined benefit and defined contribution plans and post-employment medical plans. Short term employee benefits are recognised on an undiscounted basis whereas Long term employee benefits are recognised on a discounted basis.

#### i) Post retirement employee benefits:

Contribution to post retirement defined benefit and contribution schemes like Provident Fund (PF), Superannuation Schemes and other such schemes are accounted for on accrual basis by the Company. With regard to Provident Fund contribution made by the Company to a Self-Administered Trust, the Company is generally liable for annual contributions and for any shortfall in the fund assets based on the government specified minimum rates of return. Such contributions and shortfalls are recognised as an expense in the year incurred.

Post retirement defined benefits including gratuity, pension and medical benefits for qualifying executives/whole time directors are determined through independent actuarial valuation at year end and charge recognised in the statement of profit and loss. Interest costs on employee benefit schemes have been classified within finance cost. For schemes, where funds have been set up, annual contributions determined as payable in the actuarial valuation report are contributed. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income. Such accumulated re-measurement balances are never reclassified into the statement of profit and loss subsequently.

The Company recognises in the statement of profit and loss, gains or losses on curtailment or settlement of a defined benefit plan as and when the curtailment or settlement occurs.

#### ii) Other employee benefits:

Other employee benefits are accounted for on accrual basis. Liabilities for compensated absences are determined based on independent actuarial valuation at year end and charge is recognised in the statement of profit and loss.

#### iii) Employee termination benefits:

Payments to employees on termination along with additional liabilities towards retirement benefits arising pursuant to the termination are charged to the statement of profit and loss in the year in which it is incurred.

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

of “Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets” and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

### (k) Share based payment

The Company recognises compensation expense relating to share based payments in accordance with Ind AS 102-Share based Payment. For share entitlement granted by the Company to its employees, the estimated fair value as determined on the date of grant, is charged to the Statement of Profit and Loss on a straight line basis over the vesting period and assessment of performance conditions if any, with a corresponding increase in equity.

### (l) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only

by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is possible.

### (m) Income Tax

#### i) Current Income Tax:

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961.

#### ii) Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date. Current income tax and deferred tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### (n) Foreign currency and translations

#### i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("functional currency"). The financial statements are presented in Indian Rupees (INR), which is the functional currency of the Company.

#### ii) Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the year-end rate. Any resultant exchange differences are taken to the statement of profit and loss, except when deferred in other comprehensive income as qualifying cash flow hedges. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are recorded at the exchange rate prevalent at the date of transaction.

### (o) Revenue from contracts with customer

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset or when services are rendered.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts,

returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

A refund liability is recognised for expected returns in relation to sales made and corresponding assets are recognised for the products expected to be returned.

The Company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer to goods or services to the customer.

### (p) Government Grant

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the related costs, which the grants are intended to compensate, are recognised as expenses. Government grants related to property, plant and equipment are presented at fair value and grants are recognised as deferred income.

### (q) Leases

#### As a lessee

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract conveys the right to use an identified asset;
- the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

- the Company has the right to direct the use of the identified asset.

At the date of commencement of a lease, the Company recognises a right-of-use asset ("ROU assets") and a corresponding lease liability for all leases, except for leases with a term of twelve months or less (short-term leases) and low value leases. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Company has considered all leases where the value of an underlying asset does not individually exceed Rs.0.05 crores, or equivalent as a lease of low value assets.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities.

Lease liability is measured by discounting the lease payments using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated on a straight-line basis over the asset's useful life (refer 2.2(b)) or the lease whichever is shorter.

Impairment of ROU assets is in accordance with the Company's accounting policy for impairment of tangible and intangible assets.

### As a lessor

Lease income from operating leases where the Company is a lessor is recognised in the statement of profit and loss on a straight-line basis over the lease term.

### (r) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

### (s) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

### (t) Earnings per share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held and considering the effect of all dilutive potential ordinary shares.

# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## (u) Segment Reporting

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets including Goodwill.

## (v) Cash and Cash equivalents

Cash and cash equivalents for the purpose of presentation in the statement of cash flows comprises of cash at bank and in hand, bank overdraft and short term highly liquid investments/bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

## (w) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed if material.

## 2.3 Key accounting judgement, estimates and assumptions

The preparation of the financial statements requires management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed

on an on-going basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future period.

The areas involving critical estimates or judgements are:

### a) Goodwill and Intangibles

The Company records all intangible assets including goodwill acquired as part of a business combination at fair value. In relation to business combinations, judgement is required to be exercised on determining the fair values, identification and measurement of assets acquired and liabilities assumed, in allocation of purchase consideration, in deciding the amortisation policy and on tax treatment of goodwill and intangible assets acquired. Judgement is also required to be exercised as regards the manner in which the carrying amount of goodwill is likely to be recovered for deferred tax accounting purposes. Appropriate independent professional advice is also obtained, as necessary. Goodwill has a useful life which is same as that of underlying cash generating unit. Intangible assets are assigned either an indefinite or a finite useful life, depending on the nature and expected consumption. Goodwill and indefinite lived intangible assets are as a minimum, subjected to annual tests of impairment in line with the accounting policy whereas all other intangibles assets are amortised. (Refer Note 5)

### b) Depreciation and amortisation

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges. (Refer Note 3, 4 and 5)



# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## c) Employee Benefits

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of Government securities that are denominated in the currency in which the

benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions. (Refer Note 39)

## d) Fair value of derivatives and other financial instruments

All financial instruments are required to be fair valued as at the balance sheet date, as provided in Ind AS 109 and Ind AS 113. Being a critical estimate, judgement is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc., as applicable. (Refer Note 38)

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 3. PROPERTY, PLANT AND EQUIPMENT

	Rs. in Crores					
	Land <sup>@</sup>	Buildings <sup>@</sup>	Plant & Equipment <sup>@</sup>	Furniture, Fixtures & Office Equipment	Motor Vehicles	Total
<b>Cost</b>						
<b>As at April 1, 2020</b>	<b>7.37</b>	<b>56.56</b>	<b>320.52</b>	<b>58.67</b>	<b>4.72</b>	<b>447.84</b>
Additions	-	10.28	46.42	9.24	-	65.94
Disposals	-	-	(7.85)	(1.43)	(0.09)	(9.37)
<b>As at March 31, 2021</b>	<b>7.37</b>	<b>66.84</b>	<b>359.09</b>	<b>66.48</b>	<b>4.63</b>	<b>504.41</b>
Additions	-	12.98	54.85	13.64	0.51	81.98
Disposals	-	(0.19)	(12.14)	(7.33)	(0.05)	(19.71)
<b>As at March 31, 2022</b>	<b>7.37</b>	<b>79.63</b>	<b>401.80</b>	<b>72.79</b>	<b>5.09</b>	<b>566.68</b>
<b>Accumulated depreciation</b>						
<b>As at April 1, 2020</b>	<b>-</b>	<b>19.29</b>	<b>164.76</b>	<b>35.01</b>	<b>3.46</b>	<b>222.52</b>
Depreciation expense	-	1.24	25.21	5.50	0.34	32.29
Disposals	-	-	(7.32)	(1.30)	(0.08)	(8.70)
<b>As at March 31, 2021</b>	<b>-</b>	<b>20.53</b>	<b>182.65</b>	<b>39.21</b>	<b>3.72</b>	<b>246.11</b>
Depreciation expense	-	1.88	27.99	5.61	0.32	35.80
Disposals	-	(0.05)	(9.11)	(2.95)	(0.05)	(12.16)
<b>As at March 31, 2022</b>	<b>-</b>	<b>22.36</b>	<b>201.53</b>	<b>41.87</b>	<b>3.99</b>	<b>269.75</b>
<b>Net Carrying Value</b>						
<b>Net carrying value as at March 31, 2021</b>	<b>7.37</b>	<b>46.31</b>	<b>176.44</b>	<b>27.27</b>	<b>0.91</b>	<b>258.30</b>
<b>Net carrying value as at March 31, 2022</b>	<b>7.37</b>	<b>57.27</b>	<b>200.27</b>	<b>30.92</b>	<b>1.10</b>	<b>296.93</b>

- 1) Certain Plantation land meant for usage as tea plantations and for ancillary activities has been leased by the Company to its associate company Kanan Devan Hills Plantation Company Private Limited for a period of 30 years as part of the restructure in 2005, of its South India Plantation Operation.
- 2) Cost of Buildings include Rs. 5.90 Crores (Rs 5.90 Crores) represented by shares in Co-operative Housing Societies / a Company.
- 3) (@) Includes amount of Rs. 1.26 Crores (1.26 Crores), Rs.0.62 Crores (Rs. 0.62 Crores), Rs. 0.08 Crores (Rs.0.08 Crores), respectively, jointly owned /held with a subsidiary company.
- 4) Land includes leasehold land amounting to Rs. 0.17 Crores (Rs. 0.17 Crores).

### 3(A) CAPITAL-WORK-IN PROGRESS

Capital work-in-progress ageing schedule for the year ended March 31, 2022 and March 31, 2021:

<b>As at March 31, 2022</b>					Rs. in Crores
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2.58	-	-	-	<b>2.58</b>
<b>As at March 31, 2021</b>					Rs. in Crores
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	36.01	10.45	-	-	<b>46.46</b>



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 4 RIGHT OF USE ASSETS

	Rs. in Crores			
	Building	Plant & machinery	Motor Vehicles	Total
<b>Net Carrying Value</b>				
<b>As at April 1, 2020</b>	<b>109.36</b>	<b>13.52</b>	<b>2.00</b>	<b>124.88</b>
Additions	125.31	10.46	0.74	136.51
Disposals	(2.76)	(0.18)	(0.24)	(3.18)
Depreciation expense	(28.50)	(4.08)	(0.99)	(33.57)
<b>As at March 31, 2021</b>	<b>203.41</b>	<b>19.72</b>	<b>1.51</b>	<b>224.64</b>
Additions	25.90	9.55	1.51	36.96
Disposals	(12.67)	(0.12)	-	(12.79)
Depreciation expense	(31.70)	(5.10)	(1.04)	(37.84)
<b>As at March 31, 2022</b>	<b>184.94</b>	<b>24.05</b>	<b>1.98</b>	<b>210.97</b>

### 5 GOODWILL AND OTHER INTANGIBLE ASSETS

	Rs. in Crores					
	Goodwill	Capitalised Software	Patent/ Knowhow	Brand *	Distribution Network	Total Other Intangible Assets
<b>Cost</b>						
<b>As at April 1, 2020</b>	<b>3578.51</b>	<b>65.59</b>	<b>17.63</b>	<b>2273.45</b>	<b>270.46</b>	<b>2627.13</b>
Additions	-	30.42	-	16.00	-	46.42
Disposals	-	(0.14)	-	-	-	(0.14)
<b>As at March 31, 2021</b>	<b>3578.51</b>	<b>95.87</b>	<b>17.63</b>	<b>2289.45</b>	<b>270.46</b>	<b>2673.41</b>
Additions	-	36.08	-	-	-	36.08
Disposals	-	(0.78)	-	-	-	(0.78)
<b>As at March 31, 2022</b>	<b>3578.51</b>	<b>131.17</b>	<b>17.63</b>	<b>2289.45</b>	<b>270.46</b>	<b>2708.71</b>
<b>Accumulated Amortisation</b>						
<b>As at April 1, 2020</b>	<b>-</b>	<b>39.95</b>	<b>16.52</b>	<b>13.02</b>	<b>33.81</b>	<b>103.30</b>
Amortisation expense	-	9.31	0.58	16.65	33.81	60.35
Disposals	-	(0.14)	-	-	-	(0.14)
<b>As at March 31, 2021</b>	<b>-</b>	<b>49.12</b>	<b>17.10</b>	<b>29.67</b>	<b>67.62</b>	<b>163.51</b>
Amortisation expense	-	17.06	0.53	16.78	33.81	68.18
Disposals	-	(0.62)	-	-	-	(0.62)
<b>As at March 31, 2022</b>	<b>-</b>	<b>65.56</b>	<b>17.63</b>	<b>46.45</b>	<b>101.43</b>	<b>231.07</b>
<b>Net carrying value as at March 31, 2021</b>	<b>3578.51</b>	<b>46.75</b>	<b>0.53</b>	<b>2259.78</b>	<b>202.84</b>	<b>2509.90</b>
<b>Net carrying value as at March 31, 2022</b>	<b>3578.51</b>	<b>65.61</b>	<b>-</b>	<b>2243.00</b>	<b>169.03</b>	<b>2477.64</b>

\* Includes Brands of Rs. 2093.33 Crores which has been categorised as brand with indefinite life and will be annually tested for impairment. Based on analysis of all relevant factors such as market share, stability, potential obsolescence, profitability etc, the brand is expected to provide cash inflows to the Company over an indefinite period.

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### Impairment of Goodwill and intangible assets with indefinite useful life

For the purpose of Impairment Testing, Goodwill has been allocated to Company CGU as follows:

	Rs in Crores	
	2022	2021
India Branded Business	3578.51	3578.51

For the purpose of Impairment Testing, Indefinite life brand relates to following Company CGU:

	Rs in Crores	
	2022	2021
India Branded Business	2093.33	2093.33

Commencing from this year, Branded business within India is treated as a single CGU taking into account way the business is managed and the operating structures, and as independent cash inflows are generated at the country level.

Value in use i.e. the enterprise value for each CGU is calculated using cash flow projections over a period of 5 years, with amounts based on medium term strategic plans, subject to experience adjustments. Cash flows beyond the 5 years period are extrapolated using a long term growth rate.

Key assumptions in the business plans include future revenue, associated future levels of marketing support and other relevant cost-base. These assumptions are based on historical trends and future market expectations specific to each CGU.

Other key assumptions applied in determining value in use are:

- Long term growth rate – Cash flows beyond the 5 years period are extrapolated using the estimated long-term growth rate applicable for the geographies in which the CGU operate.
- Discount rate – The discount rate is based on a Weighted Average Cost of Capital (WACC) for comparable companies operating in similar markets.

The long term growth rates and discount rates applied in the value in use calculations have been set out below:

	Pre Tax Discount rate	Long Term Growth Rate
India Branded Business	13.79%	6.00%

The cash generating unit is engaged in trading, manufacturing and sale of a portfolio of products catering to every day consumption needs, and have strong market position and growth potential.

### Impairment charge

Based on an assessment carried out, there is no impairment charge in the current year.

### Sensitivity Analysis

We have performed sensitivity analysis around the base assumptions and have concluded that no reasonable possible changes in key assumptions based on current recent trends would cause the recoverable amount of the CGU to be less than the carrying value.



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 6 INTANGIBLE ASSET UNDER DEVELOPMENT

Intangible asset under development ageing schedule as at March 31, 2022 and March 31, 2021

#### As at March 31, 2022

Rs. in Crores

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	37.18	-	-	-	37.18

#### As at March 31, 2021

Rs. in Crores

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.24	13.20	-	-	16.44

### 7. INVESTMENTS

Rs. in Crores

	2022	2021
<b>Non-current Investments</b>		
Quoted Equity Instruments	181.42	176.72
Unquoted Equity Instruments	2835.36	2308.50
Unquoted Preference Shares	351.98	119.97
Unquoted Debentures (Refer footnote f)	0.00	0.00
Unquoted Government Securities (Refer footnote f)	0.00	0.00
	<b>3368.76</b>	<b>2605.19</b>
<b>Current Investments</b>		
Mutual Funds - Unquoted (Carried at Fair Value through Profit & Loss) - (Refer footnote j)	156.94	287.77
	<b>156.94</b>	<b>287.77</b>
<b>Total Investments</b>	<b>3525.70</b>	<b>2892.96</b>

Rs. in Crores

	2022	2021
Market Value of Quoted Investments	2345.86	1300.31
Aggregate amount of Unquoted Investments	3344.28	2716.24
Aggregate amount of Quoted Investments	181.42	176.72
Aggregate Amount of Impairment in Value of Investments	0.22	0.22

#### Quoted Equity Instruments

##### Carried at fair value through Other Comprehensive Income:

	Face Value	Nos.		Rs. in Crores	
		2022	2021	2022	2021
Tata Investment Corporation Ltd	Rs. 10	146872	146872	19.91	15.21
SBI Home Finance Ltd. (under liquidation) - (Refer foot note i)	Rs. 10	100000	100000	-	-
				<b>19.91</b>	<b>15.21</b>

##### Carried at Cost:

	Face Value	Nos.		Rs. in Crores	
		2022	2021	2022	2021
<b>Investment in Subsidiary</b>					
Tata Coffee Ltd (Refer footnote a)	Re. 1	107359820	107359820	161.51	161.51
				<b>161.51</b>	<b>161.51</b>
<b>Total Quoted Equity Instruments</b>				<b>181.42</b>	<b>176.72</b>

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### Unquoted Equity Instruments

#### Carried at fair value through Other Comprehensive Income:

	Face Value	Nos.		Rs. in Crores	
		2022	2021	2022	2021
Tata Sons Pvt. Ltd. (Refer footnote b)	Rs. 1000	1755	1755	9.75	9.75
Tata Capital Ltd.	Rs. 10	613598	613598	3.07	3.07
Tata Services Ltd.	Rs. 1000	475	475	0.05	0.05
Tata Industries Ltd. (Refer footnote b)	Rs. 100	6519441	6519441	115.82	115.82
Taj Air Ltd.	Rs. 10	4200000	4200000	1.22	1.04
Anamallais Ropeways Company Limited (Refer foot note i)	Rs. 100	2092	2092	-	-
ABC Tea Workers Welfare Services	Rs. 10	20000	20000	0.02	0.02
Assam Hospitals Ltd	Rs. 10	200000	200000	2.80	3.90
The Valparai Co-operative Wholesale Stores Ltd (Refer foot note i)	Rs. 10	350	350	-	-
Suryakiran Apartment Services Private Ltd (Refer footnote f)	Rs. 10	2146	2146	0.00	0.00
Jalpaiguri Club Ltd. (Cost Re. 1) (Refer footnote f)	Rs. 10	60	60	0.00	0.00
GNRC Ltd	Rs. 10	50000	50000	0.25	0.14
IFCI Venture Capital Funds Ltd	Rs. 10	250000	250000	1.05	0.99
Ritspin Synthetics Ltd (Refer foot note i)	Rs. 10	100000	100000	-	-
TEASERVE (Refer footnote f)	Rs 5000	1	1	0.00	0.00
(The Tamil Nadu Tea Manufacturers' Service Industrial Co-operative Society Ltd)					
Woodlands Hospital & Medical Res. Centre Ltd.	Rs. 10	-	12280	-	0.00
				<b>134.03</b>	<b>134.78</b>

### Unquoted Equity Instruments

#### Carried at cost

		Face Value	Nos.		Rs. in Crores	
			2022	2021	2022	2021
<b>Investment in Subsidiaries:</b>						
Tata Tea Extractions Inc	US\$	1	14000000	14000000	59.80	59.80
Tata Consumer Products UK Group Limited	GBP	1	70666290	70666290	500.71	500.71
Tata Consumer Products Capital Limited	GBP	1	89606732	89606732	763.89	763.89
Consolidated Coffee Inc.	US\$	0.01	199	199	92.49	92.49
Tata Tea Holdings Private Limited	Rs.	10	50000	50000	0.05	0.05
NourishCo Beverages Limited	Rs.	10	213000000	213000000	119.50	119.50
Tata Consumer Soufull Private Limited	Rs.	10	755526	755526	155.80	155.80
Tata Smartfoodz Limited (Refer footnote h)	Rs.	10	498084304	-	430.58	-
TCPL Beverages and Foods Limited (Refer footnote g)	Rs.	10	50000	-	0.05	-
TRIL Constructions Limited (Refer footnote e)	Rs.	10	11748148	-	11.75	-
<b>Investment in Associates :</b>						
Amalgamated Plantations Pvt Ltd. (Refer footnote d)	Rs.	10	61024400	61024400	82.08	71.10
Kanan Devan Hills Plantations Company Pvt. Ltd.	Rs.	10	3976563	3976563	12.33	12.33
TRIL Constructions Limited (Refer footnote e)	Rs.	10	-	11748148	-	11.75
<b>Investment in Joint Ventures :</b>						
Tata Starbucks Private Limited (Refer footnote c)	Rs.	10	472300000	386300000	472.30	386.30
					<b>2701.33</b>	<b>2173.72</b>
<b>Total Unquoted Equity Instruments</b>					<b>2835.36</b>	<b>2308.50</b>



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### Unquoted Preference Shares

	Face Value	Nos.		Rs. in Crores	
		2022	2021	2022	2021
<b>Investment in Subsidiaries:</b>					
TCPL Beverages and Foods Limited (Refer footnote g)	Rs. 10	7500000	-	7.50	-
TRIL Constructions Limited (Refer footnote e)	Rs. 10	138751852	-	138.75	-
<b>Investment in Associates:</b>					
Amalgamated Plantations Pvt Ltd. (Refer footnote d)	Rs. 10	217000000	67000000	205.73	53.22
TRIL Constructions Limited (Refer footnote e)	Rs. 10	-	66751852	-	66.75
<b>Others:</b>					
Thakurbari Club Ltd (Cost Re 1) (Refer footnote f)	Rs. 100	26	26	0.00	0.00
				<b>351.98</b>	<b>119.97</b>
<b>Total Unquoted Preference Shares</b>				<b>351.98</b>	<b>119.97</b>

### Unquoted Debentures and Government Securities

Carried at fair value through Other Comprehensive Income

	Face Value	Nos.		Rs. in Crores	
		2022	2021	2022	2021
<b>Unquoted Debentures</b>					
The Bengal Chamber of Commerce & Industry - 6 1/2% Debentures (Refer footnote f)	Rs. 1000	7	7	0.00	0.00
Shillong Club Ltd - 5% Debentures - (Cost Rs 2) (Refer footnote f)	Rs. 100	31	31	0.00	0.00
				<b>0.00</b>	<b>0.00</b>
<b>Unquoted Government Securities:</b>					
W.B. Estates Acquisition Compensation Bond (Refer footnote f)				0.00	0.00
				<b>0.00</b>	<b>0.00</b>

- Inclusive of Rs. 21.86 Crores (Rs. 21.86 Crores) kept in Revaluation Reserve.
- Costs of these unquoted equity instruments have been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represent the best estimate of fair value within that range.
- During the financial year 2021-22, the Company has invested an amount of Rs. 86 Crores towards equity capital in Tata Starbucks Private Limited which is a 50:50 joint venture.
- Investment in preference shares of Amalgamated Plantations Pvt. Ltd. subscribed in an earlier year of Rs 46.40 Crores [67000000 shares of Rs 10 each] is redeemable with a special redemption premium, on fulfilment of certain conditions, within 15 - 17 years from the date of the issue and are designated as fair value through profit and loss. Preference shares subscribed to in the financial year 2021-22 of Rs 159.33 Crores[150000000 shares of Rs 10 each] are optionally convertible, cumulative and redeemable carrying an annual coupon rate of 6% with special redemption premium issued for a period of ten years and are also designated as fair value through profit and loss.
- During the financial year 2021-22, the Company has acquired control of TRIL Constructions Limited (TRIL C), consequent to a Restated Shareholder and Share Purchase Agreement which converted the Associate Company into a Subsidiary with effect from 17<sup>th</sup> November 2021. Based on the Share purchase Agreement, the Company have acquired Preference Shares of Rs 47.13 Crores from Tata Realty Infrastructure Limited

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

and have additionally infused Rs 24.87 Crores as preference shares in TRIL C. Preference shares of TRIL C are non-cumulative and mandatorily fully convertible within twenty years from the issue date and the same is carried at cost.

- f) Investment carrying values are below Rs. 0.01 crores.
- g) During the financial year 2021-22, the Company has formed a wholly owned Subsidiary TCPL Beverages & Foods Limited (TBFL) in connection with the proposed merger of Tata Coffee Limited (Refer Note 40A). The Company has infused Rs 0.05 Crores as equity capital in TBFL and Rs 7.5 Crores as Optionally Convertible non-cumulative redeemable preference shares. These preference shares are issued for a term of eight years.
- h) During the financial year 2021-22, the Company has acquired 100% equity of Tata SmartFoodz Limited pursuant to a Share Purchase Agreement with Tata Industries Limited at a total consideration of Rs 395 Crores. Post the acquisition, the Company has additionally invested Rs 35.58 Crores in Tata SmartFoodz Limited as equity capital.
- i) These investments are fully impaired.
- j) Mutual fund investments represents surplus cash deployed as a part of treasury operations (Refer to Statement of Cashflow).

### 8. LOANS

	Rs. in Crores	
	2022	2021
<b>Non-Current</b>		
<b>(Secured and considered good)</b>		
Inter Corporate Loan to related party <sup>\$</sup>	13.00	16.50
Inter Corporate Deposits <sup>*</sup>	-	4.25
<b>(Unsecured and considered good)</b>		
Employee Loans and Advances	0.80	0.96
	<b>13.80</b>	<b>21.71</b>
<b>Current</b>		
<b>(Secured and considered good)</b>		
Inter Corporate Loan to related party <sup>\$</sup>	3.50	3.50
Inter Corporate Deposits <sup>*</sup>	1.25	-
<b>(Unsecured and considered good)</b>		
Inter Corporate Deposits <sup>^</sup>	469.75	-
Inter Corporate Loan to related parties <sup>^^</sup>	84.75	-
Employee Loans and Advances	0.45	0.29
	<b>559.70</b>	<b>3.79</b>
<b>Total Loans</b>	<b>573.50</b>	<b>25.50</b>

<sup>\$</sup> secured by mortgage of rights on immovable assets

<sup>\*</sup> secured by mortgage of land

<sup>^</sup> Outstanding with financial institutions for short duration and yield fixed interest rate. Loans given during the year for general corporate purposes – HDFC Limited Rs 295 Crores (Nil), LIC Housing Finance Limited Rs 124.75 Crores (Nil), Bajaj Finance Limited Rs 605 Crores (Nil).

<sup>^^</sup> Outstanding with Tata Smartfoodz Limited - Rs 14.75 Crores and Infiniti Retail Limited Rs 70 Crores for short duration and yield fixed interest rate. Loans given during the year for general corporate purposes – Tata Smartfoodz Limited Rs 49 Crores (Nil), Infiniti Retail Limited Rs 190 Crores (Nil) and Piem Hotel Limited Rs 20 Crores (Nil).



# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## 9. OTHER FINANCIAL ASSETS

	Rs. in Crores	
	2022	2021
<b>Non-Current</b>		
<b>(Unsecured and considered good, unless otherwise stated)</b>		
Security Deposits	27.53	27.03
Lease receivable	-	0.36
Other Receivables #	76.91	76.20
<b>Considered Doubtful</b>		
Security Deposits	0.29	0.29
Less: Provision for Doubtful Deposits	(0.29)	(0.29)
	<b>104.44</b>	<b>103.59</b>
<b>Current</b>		
<b>(Unsecured and considered good, unless otherwise stated)</b>		
Due from Related Parties	11.12	7.25
Insurance Claims Receivable	5.95	3.14
Lease receivable	0.36	0.44
Interest Accrued	19.22	11.62
Export Incentive Receivable	12.10	8.01
Derivative Financial Assets	-	1.11
	<b>48.75</b>	<b>31.57</b>
<b>Total Other Financial Assets</b>	<b>153.19</b>	<b>135.16</b>

# Represents Contingent Consideration in connection with acquisition of Tata Consumer Soufull Private Limited made in financial year 20-21. The said contingent consideration has been recognised under Other Financial Liability with a corresponding recognition of Other Financial Asset.

## 10. OTHER ASSETS

	Rs. in Crores	
	2022	2021
<b>Non-Current</b>		
<b>(Unsecured and Considered Good, unless otherwise stated)</b>		
Capital Advances	1.35	2.91
Property Rights Pending Development #	70.50	70.50
Taxes Receivable	14.42	15.50
	<b>86.27</b>	<b>88.91</b>
<b>Current</b>		
Prepaid Expenses	47.59	37.78
Taxes Receivable	208.19	188.11
Other Trade Advances	23.68	27.19
<b>Considered Doubtful</b>		
Other Advances for Supply of Goods and Services	0.53	0.53
Less: Provision for Advances	(0.53)	(0.53)
	<b>279.46</b>	<b>253.08</b>
<b>Total Other Assets</b>	<b>365.73</b>	<b>341.99</b>

# Property Rights Pending Development represents constructed office space to be delivered to the Company by TRIL Constructions Limited, consequent to a development agreement.

# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## 11. INVENTORIES

(At lower of cost and net realisable value)

	Rs. in Crores	
	2022	2021
<b>Raw Material</b>		
Tea	819.22	925.01
Packing Materials	61.61	50.92
Others	20.26	13.78
	<b>901.09</b>	<b>989.71</b>
<b>Finished Goods</b>		
Tea	215.61	275.90
Others	1.59	1.43
	<b>217.20</b>	<b>277.33</b>
<b>Traded Goods</b>		
Salt and other items relating to Food Business	137.08	120.58
Others	6.23	8.91
	<b>143.31</b>	<b>129.49</b>
<b>Stores and Spare Parts</b>	<b>10.34</b>	<b>11.84</b>
<b>Total Inventories</b>	<b>1271.94</b>	<b>1408.37</b>

Raw material includes in transit tea inventory of Rs. 3.42 Crores (Rs. 2.62 Crores).

Traded Goods includes in transit inventory of Rs 0.45 Crores (Rs. 3.64 Crores).

During the period ended March 31, 2022- Rs. 23.99 Crores (Rs. 13.40 Crores) was charged to statement of profit and loss for slow moving and obsolete inventories.

## 12. TRADE RECEIVABLES

	Rs. in Crores	
	2022	2021
Trade Receivables considered good - Secured	0.10	3.11
Trade Receivables considered good - Unsecured	281.66	254.12
Trade Receivables - Credit Impaired (Refer note 38)	34.92	34.92
	<b>316.68</b>	<b>292.15</b>
Less: Allowance for Impairment	34.92	34.92
<b>Total Trade Receivables</b>	<b>281.76</b>	<b>257.23</b>

Secured receivables are backed by security deposits.

Includes dues from Related Parties - Rs. 109.28 Crores (Rs. 45.23 Crores).



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

Ageing for trade receivables as at March 31, 2022 is as follows:

Particulars	Not Due	Outstanding for the following periods from due date of payment					Rs. in Crores
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good- Secured	-	0.10	-	-	-	-	0.10
(ii) Undisputed Trade receivables – considered good- Unsecured	145.60	109.22	12.87	13.97	-	-	281.66
(iii) Undisputed Trade Receivables – credit impaired	-	-	2.39	18.79	1.35	1.58	24.11
(iv) Disputed Trade Receivables – credit impaired	-	-	-	10.81	-	-	10.81
<b>Total</b>	<b>145.60</b>	<b>109.32</b>	<b>15.26</b>	<b>43.57</b>	<b>1.35</b>	<b>1.58</b>	<b>316.68</b>
Less : Allowance for credit loss							34.92
<b>Total Trade Receivable</b>							<b>281.76</b>

Ageing for trade receivables as at March 31, 2021 is as follows:

Particulars	Not Due	Outstanding for the following periods from due date of payment					Rs. in Crores
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good- Secured	-	3.11	-	-	-	-	3.11
(ii) Undisputed Trade receivables – considered good- Unsecured	119.30	111.18	16.38	7.26	-	-	254.12
(iii) Undisputed Trade Receivables – credit impaired	-	2.39	18.79	1.35	1.58	-	24.11
(iv) Disputed Trade Receivables – credit impaired	-	-	10.81	-	-	-	10.81
<b>Total</b>	<b>119.30</b>	<b>116.68</b>	<b>45.98</b>	<b>8.61</b>	<b>1.58</b>	<b>-</b>	<b>292.15</b>
Less : Allowance for credit loss							34.92
<b>Total Trade Receivable</b>							<b>257.23</b>

### 13. CASH AND CASH EQUIVALENTS

	Rs. in Crores	
	2022	2021
<b>Balances with banks:</b>		
Current Account	3.70	5.65
Deposit Account	323.66	639.05
<b>Cash/Cheques in hand</b>	0.04	0.04
<b>Total Cash and Cash Equivalents</b>	<b>327.40</b>	<b>644.74</b>

### 14. OTHER BANK BALANCES

	Rs. in Crores	
	2022	2021
Unclaimed Dividend Account	10.93	9.59
Deposit exceeding 3 months	990.28	959.36
<b>Total Other Bank Balances</b>	<b>1001.21</b>	<b>968.95</b>

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 15. EQUITY SHARE CAPITAL AND OTHER EQUITY

#### (a) Equity Share Capital

	Rs. in Crores	
	2022	2021
<b>AUTHORISED</b>		
1250000000 (1250000000) Equity Shares of Re 1 each	125.00	125.00
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
921551715 (921551715) Equity Shares of Re 1 each, fully paid-up	92.16	92.16
	<b>92.16</b>	<b>92.16</b>

#### i) The reconciliation of the number of shares as at March 31, 2022 is set out below:

Particulars	2022	2021
Number of shares as at the beginning of the year	921551715	921551715
Number of shares as at the end of the year	<b>921551715</b>	<b>921551715</b>

#### ii) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Re 1 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### iii) Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2022) pursuant to contracts without payment being received in cash

290421986 equity shares were issued during the financial year 2019-20, consequent to and as part of the merger of Food business of Tata Chemicals Limited with the Company.

#### iv) The details of shareholders holding more than 5% shares as at March 31, 2022 is set out as below :

	2022	2021
Name of shareholder	No. of shares	No. of shares
	% of holding	% of holding
Tata Sons Private Limited	270557128	270557128
	<b>29.36%</b>	<b>29.36%</b>

#### v) Shares held by promoters at the end of the year:

Promoter name	No of Shares	% of total shares	% change during the year
Tata Sons Private Limited			
As at 31 March 2022	270557128	29.36%	-
As at 31 March 2021	270557128	29.36%	-

#### vi) Dividend paid

	2022	2021
Dividend Paid (Rs. in Crores)	373.23	248.82
Dividend per share (Rs.)	4.05	2.70

The Board of Directors in its meeting held on May 4, 2022 have recommended a final dividend payment of Rs.6.05 per share for the financial year ended March 31, 2022.



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### b) Other Equity

	Rs. in Crores	
	2022	2021
Capital Reserve	15.79	15.79
Securities Premium Account	6430.87	6430.87
Contingency Reserve	1.00	1.00
Revaluation Reserve	21.86	21.86
General Reserve	1143.31	1143.31
Retained Earnings	4038.76	3502.88
Share Based Payment Reserve	0.46	-
Other Comprehensive Income		
- Effective portion of Cash Flow Hedge	(0.41)	0.83
- Fair value gains/(loss) on Equity Instruments	18.11	15.40
<b>Total Other Equity</b>	<b>11669.75</b>	<b>11131.94</b>

#### Nature and Purpose of Reserve

##### i. Capital Reserve

Capital Reserve was created on acquisition of certain plantation business.

##### ii. Securities Premium Account

Security Premium Account was created on issue of shares at premium. These reserves can be utilised in accordance with Section 52 of Companies Act 2013.

##### iii. Contingency Reserves

Contingency Reserves are in the nature of free reserves.

##### iv. Revaluation Reserve

Revaluation Reserve was created on acquisition of shares in Tata Coffee Limited (Refer note 7 – footnote a).

##### v. Share Based Payment Reserve

Share-based payment reserve represents amount of fair value, as on the date of grant, of unvested and vested shares not exercised till date, that have been recognised as expense in the statement of profit and loss till date.

## 16. OTHER FINANCIAL LIABILITIES

	Rs. in Crores	
	2022	2021
<b>Current</b>		
Unpaid Dividends *	10.93	9.59
Derivative Financial Liabilities	0.54	-
Security Deposits from Customers	1.64	5.07
Others	64.57	67.27
<b>Total Other Financial Liabilities</b>	<b>77.68</b>	<b>81.93</b>

\* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 17. PROVISIONS

	Rs. in Crores	
	2022	2021
<b>Non-Current</b>		
Employee Benefits	135.32	148.21
	<b>135.32</b>	<b>148.21</b>
<b>Current</b>		
Employee Benefits	30.45	34.93
Other Provisions	32.29	47.11
	<b>62.74</b>	<b>82.04</b>
<b>Total Provisions</b>	<b>198.06</b>	<b>230.25</b>

#### Movement in Other Provisions - Current

	Rs. in Crores	
	2022	2021
<b>Provision for Trade Obligations</b>		
Opening balance	1.74	1.74
Provision during the year	-	-
Amount written back during the year	-	-
<b>Closing balance</b>	<b>1.74</b>	<b>1.74</b>

	Rs. in Crores	
	2022	2021
<b>Business Restructuring and Reorganisation Costs</b>		
Opening balance	45.37	30.05
Provision during the year	7.69	23.67
Amount paid/adjusted during the year	(22.51)	(8.35)
Closing balance	<b>30.55</b>	<b>45.37</b>
<b>Total Closing Balance</b>	<b>32.29</b>	<b>47.11</b>

### 18. TRADE PAYABLES

	Rs. in Crores	
	2022	2021
Total outstanding dues of creditors other than Micro enterprises and Small enterprises*	1234.10	1088.67
Total outstanding dues of Micro enterprises and Small enterprises (Refer Note 31)	29.64	13.96
<b>Total Trade Payable</b>	<b>1263.74</b>	<b>1102.63</b>

\* Includes due to Related Parties - Rs. 52.85 Crores (Rs. 38.89 Crores).

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

						Rs. in Crores
Particulars	Not Due	Outstanding for the following periods from due date of payment				Total due
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	22.54	7.10	-	-	-	7.10
(ii) Others	485.62	734.65	6.99	-	-	741.64
(iii) Disputed dues - Others	-	-	-	-	6.84	6.84
<b>Total</b>	<b>508.16</b>	<b>741.75</b>	<b>6.99</b>	<b>-</b>	<b>6.84</b>	<b>755.58</b>



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### Ageing for trade payables outstanding as at March 31, 2021 is as follows:

						Rs. in Crores
Particulars	Not Due	Outstanding for the following periods from due date of payment				Total due
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4.02	9.94	-	-	-	9.94
(ii) Others	550.36	529.80	1.67	-	-	531.47
(iii) Disputed dues - Others	-	-	-	-	6.84	6.84
<b>Total</b>	<b>554.38</b>	<b>539.74</b>	<b>1.67</b>	<b>-</b>	<b>6.84</b>	<b>548.25</b>

Rs. in Crores

### 19. OTHER CURRENT LIABILITIES

	2022	2021
<b>Current</b>		
Statutory Liabilities	23.00	18.33
Advance from Customers	27.69	30.00
Others	45.97	51.40
<b>Total Other Current Liabilities</b>	<b>96.66</b>	<b>99.73</b>

Rs. in Crores

### 20. TAXATION

#### a) Tax charge in the Statement of profit and loss:

	2022	2021
<b>Current tax</b>		
Current year	132.83	5.52
Adjustment relating to earlier years	(2.74)	(6.57)
	<b>130.09</b>	<b>(1.05)</b>
<b>Deferred tax charge/(credit)</b>	<b>135.25</b>	<b>217.68</b>
<b>Income Tax expense for the year</b>	<b>265.34</b>	<b>216.63</b>

Rs. in Crores

Income tax has been provided for at reduced rate as per section 115BAA of the Income-tax Act, 1961

#### b) Reconciliation of effective tax rate:

	2022	2021
<b>Profit before tax</b>	<b>1151.09</b>	<b>836.14</b>
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 25.17%)	289.71	210.44
<b>Tax effect of:</b>		
Non-deductible tax expenses	4.08	7.37
Tax-exempt income	(35.67)	(0.13)
Tax reversals of earlier years	(2.74)	(6.57)
Non-creditable taxes	9.96	5.52
	<b>265.34</b>	<b>216.63</b>

Rs. in Crores

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### c) Non-Current Tax Asset (Net) :

	Rs. in Crores	
	2022	2021
Income Tax	121.12	108.34
Dividend Distribution Tax credit	0.85	14.27
	<b>121.97</b>	<b>122.61</b>

### d) Current Tax Liability (Net) :

	Rs. in Crores	
	2022	2021
Income Tax	5.13	5.13
	<b>5.13</b>	<b>5.13</b>

### e) The analysis of Deferred Tax Assets and Deferred Tax Liabilities is as follows:

	Rs. in Crores	
	2022	2021
Deferred Tax Asset	58.83	65.46
Deferred Tax Liability	(570.05)	(433.01)
<b>Net Deferred Tax Asset/(Liability)</b>	<b>(511.22)</b>	<b>(367.55)</b>

### f) The movement in deferred income tax assets and (liabilities) during the year is as follows:

	Rs. in Crores					
	Depreciation and amortisation (including unabsorbed depreciation)	Other Liabilities	Provision for doubtful debts/ advances	Employee Benefits/ Trade Obligations	Other Assets	Total
<b>As at April 1, 2020</b>	<b>(209.72)</b>	<b>(1.12)</b>	<b>5.65</b>	<b>44.78</b>	<b>11.19</b>	<b>(149.22)</b>
(Charged)/credited:						
- to Statement of profit or loss	(221.79)	0.46	3.98	1.24	(1.57)	<b>(217.68)</b>
- to Other comprehensive income	-	(0.83)	-	0.18	-	<b>(0.65)</b>
<b>As at March 31, 2021</b>	<b>(431.51)</b>	<b>(1.49)</b>	<b>9.63</b>	<b>46.20</b>	<b>9.62</b>	<b>(367.55)</b>
(Charged)/credited:						
- to Statement of profit or loss	(136.52)	0.30	(0.84)	1.66	0.15	<b>(135.25)</b>
- to Other comprehensive income	-	(0.83)	-	(7.59)	-	<b>(8.42)</b>
<b>As at March 31, 2022</b>	<b>(568.03)</b>	<b>(2.02)</b>	<b>8.79</b>	<b>40.27</b>	<b>9.77</b>	<b>(511.22)</b>

Consequent to the amendments in the Income Tax Act, 1961, depreciation on Goodwill is no longer available as a deduction from taxable income with effect from 1<sup>st</sup> April, 2020, except that its written down value is available as a deduction in the event of sale of the underlying business. On goodwill of Rs 3578.51 crore recognised in the financial statements, through business combinations, no additional taxable temporary differences are expected to arise, having regard to the nature of the businesses to which the goodwill relates. (also refer notes 2.3(a) and 5).



# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## 21. REVENUE FROM OPERATIONS

	Rs. in Crores	
	2022	2021
<b>Revenue from Contracts with Customers</b>		
Revenue from sale of goods	7846.07	7087.06
	<b>7846.07</b>	<b>7087.06</b>
<b>Other Operating Revenues</b>		
Export Incentive	4.48	8.55
Royalty Income	19.08	10.26
Management Service Fees	34.45	26.08
Miscellaneous Receipts	28.21	22.41
	<b>86.22</b>	<b>67.30</b>
	<b>7932.29</b>	<b>7154.36</b>

## 22. OTHER INCOME

	Rs. in Crores	
	2022	2021
<b>Interest Income</b>		
- Interest Income on Advances and Deposits carried at amortised cost	65.57	52.44
- Interest Income on Income Tax refund	6.38	5.52
<b>Dividend Income</b>		
- Non-Current Investments designated at fair value through other comprehensive income	2.12	2.26
- Investment in Subsidiaries and Associates carried at cost	143.85	52.94
<b>Gains on Current Investments (net)</b>	7.39	11.57
<b>Others</b>		
- Other non operating income	0.16	0.17
- Fair Value movement in Financial Instruments designated at Fair Value through profit or loss	13.49	8.11
	<b>238.96</b>	<b>133.01</b>

## 23. COST OF MATERIALS CONSUMED

	Rs. in Crores	
	2022	2021
<b>Tea</b>		
Opening Stock	934.99	577.09
Add: Purchases	2507.65	3282.53
Less: Closing Stock	819.22	934.99
	<b>2623.42</b>	<b>2924.63</b>
<b>Green Leaf</b>	<b>29.52</b>	<b>24.58</b>
<b>Packing Material</b>		
Opening Stock	50.92	35.34
Add: Purchases	442.10	394.88
Less: Closing Stock	61.61	50.92
	<b>431.41</b>	<b>379.30</b>
<b>Others</b>	<b>111.37</b>	<b>93.14</b>
	<b>3195.72</b>	<b>3421.65</b>

# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## 24. CHANGE IN INVENTORIES OF FINISHED GOODS/STOCK-IN-TRADE/WORK-IN-PROGRESS

	Rs. in Crores	
	2022	2021
<b>Opening Stock</b>		
Tea	286.49	189.28
Salt and other food items	109.99	94.77
Others	10.34	5.87
	<b>406.82</b>	<b>289.92</b>
<b>Closing Stock</b>		
Tea	215.52	286.49
Salt and other food items	137.08	109.99
Others	7.82	10.34
	<b>360.42</b>	<b>406.82</b>
	<b>46.40</b>	<b>(116.90)</b>

## 25. EMPLOYEE BENEFITS EXPENSE

	Rs. in Crores	
	2022	2021
Salaries, Wages and Bonus *	302.02	276.09
Contribution to Provident Fund and other Funds	21.25	20.12
Workmen and Staff Welfare Expenses	25.14	25.37
	<b>348.41</b>	<b>321.58</b>

\* Includes Rs 0.46 Crores towards share based payment incentives and Rs 0.28 Crores expenses on Corporate Social Responsibility (CSR).

### Employee Share based payment incentives

The Company has introduced share based incentives to certain employees during the year ended March 31, 2022, under Tata Consumer Products Limited- Share-based Long Term Incentive Scheme 2021 ("TCPL SLTI Scheme 2021") approved by Nomination and Remuneration Committee (NRC).

As per the scheme, the number of shares that will vest is conditional upon certain performance measures being achieved. The performance will be measured over vesting period of 3 years. The shares granted under this scheme is exercisable by employees till one year from date of its vesting.

The Company has granted 65780 number of performance share units during the year ended March 31, 2022 at an exercise price of Re 1 per share. Shares granted will vest equally each year over 3 years from date of grant. Number of shares that will vest range from 0.5 to 1.2 per performance share unit granted depending on performance measures achieved.

	2022
Performance Shares Units outstanding at the beginning of the year	-
Granted during the year	65780
Forfeited/expired during the year	-
Exercised during the year	-
<b>Outstanding at the end of the year</b>	<b>65780</b>

Performance share units were granted on January 04, 2022. The estimated fair value of performance share units are based on the quoted share price. The aggregate of the estimated fair values of the performance share units granted is Rs 5.36 Crores which will be recognised in the Statement of Profit and Loss over the vesting period.



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 26. FINANCE COSTS

	Rs. in Crores	
	2022	2021
Interest expense on Financial liabilities measured at amortised cost	0.12	2.99
Interest expense on Lease Liabilities	20.21	15.95
Net interest on defined benefit plans	9.45	9.19
	<b>29.78</b>	<b>28.13</b>

### 27. OTHER EXPENSES

	Rs. in Crores	
	2022	2021
Manufacturing and Contract Packing Expenses	153.61	91.61
Rent	65.46	56.61
Freight	404.26	299.43
Management Service Fees #	14.00	9.85
Professional and Legal fees	104.12	95.15
Miscellaneous Expenses ^	276.54	234.35
	<b>1017.99</b>	<b>787.00</b>

# Includes fee for technical support services Rs. 2.99 Crores (Rs. 1.23 Crores) and for other support service Rs. 11.01 Crores (Rs. 8.62 Crores)

^ Includes exchange gain Rs. 5.19 Crores (Rs. 1.21 Crores exchange loss in PY), expense on CSR Rs. 13.26 Crores (Rs. 11.74 Crores).

### 28. EXCEPTIONAL ITEMS (NET)

	Rs. in Crores	
	2022	2021
<b>Expenditure</b>		
Expenses in connection with acquisition of business	1.80	-
Business restructure and reorganization Costs	22.23	61.10
Expenses in connection with the proposed Scheme of Arrangement	3.20	-
	<b>27.23</b>	<b>61.10</b>

### 29. CAPITAL COMMITMENT

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2022 aggregated Rs. 20.43 Crores (Rs. 12.56 Crores).
- (b) Commitment towards Share Capital contributions in Joint Ventures and Associates - Rs. 171.00 Crores (Rs. 294.00 Crores)

### 30. CONTINGENCIES:

#### (a) Statutory and other Commercial Claims:

	Rs. in Crores	
	Gross	Net of Estimated Tax
(i) Taxes, Statutory Duties/ Levies etc.	<b>22.59</b>	<b>20.67</b>
	(14.67)	(12.41)
(ii) Commercial and other Claims	<b>2.40</b>	<b>1.97</b>
	(2.40)	(1.97)

- (b) Labour disputes under adjudication relating to some staff – amount not ascertainable.

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

31. Micro enterprises and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the confirmations received in response to intimation in this regard sent by the Company to the suppliers. No interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 or otherwise has either been paid or payable or accrued and remaining unpaid as at March 31, 2022.

### 32 CORPORATE SOCIAL RESPONSIBILITY (CSR)

	Rs. in Crores	
	2022	2021
1. Amount required to be spent during the year	13.32	11.44
2. Opening Surplus balance if any	0.30	-
3. Amount of expenditure incurred on		
i) Construction/acquisition of Assets	-	-
ii) On purpose other than (i) above	13.54	11.74
4. Shortfall/(Surplus) at the end of the year	(0.52)	(0.30)
5. Total of previous years shortfall	-	-
6. Reason for Shortfall	NA	NA
7. Nature of CSR Activities	Rural development, Skill development, Affordable health care, Water and Sanitation, Supporting Vulnerable communities during Covid	
8. Detail of Related Party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

### 33 EARNINGS PER SHARE

	2022	2021
Profit after taxation (Rs. in Crores )	885.75	619.51
Numbers of Equity Shares Outstanding	921551715	921551715
Effect of dilutive equivalent shares - Performance share units outstanding	15679	-
Weighted average number of shares outstanding during the year	921567394	921551715
Earnings Per Share (Rs.)		
Basic	9.61	6.72
Diluted	9.61	6.72

### 34 EXPENDITURE INCURRED IN RESPECT OF THE COMPANY'S RESEARCH AND DEVELOPMENT:

	Rs. in Crores	
	2022	2021
Capital Expenditure	1.78	0.50
Revenue Expenditure	17.15	13.95
	<b>18.93</b>	<b>14.45</b>



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 35 LEASES

The Company's leasing arrangements are in respect of operating leases for premises (residential, office, factory, godown, etc.) and motor cars. These range between 5 months - 20 years and usually renewable on mutually agreed terms.

#### Lease liability as at March 31, 2022

	Rs. in Crores	
	2022	2021
Current Lease Liability	29.71	28.94
Non-Current Lease Liability	205.19	215.30
<b>Total Lease Liability</b>	<b>234.90</b>	<b>244.24</b>

#### Contractual maturities of lease liabilities on an undiscounted basis:

	Rs. in Crores	
	2022	2021
Less than one year	48.33	48.78
One to two years	45.98	43.07
Two to five years	95.49	105.26
More than five years	181.86	203.84
<b>Total</b>	<b>371.66</b>	<b>400.95</b>

#### Amount Recognised in Statement of Profit and Loss

	Rs. in Crores	
	2022	2021
Expenses relating to Short-term Lease	65.32	56.52
Expenses relating to leases of low value assets	0.14	0.09

#### Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in Company's operation. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

#### Movement in the net investment in sublease of Right of Use Asset:

	Rs. in Crores	
	2022	2021
Balance at the beginning of the period	0.80	1.19
Interest Income accrued during the period	0.05	0.09
Lease Receipts	(0.49)	(0.48)
<b>Balance at the end of the period</b>	<b>0.36</b>	<b>0.80</b>

#### Contractual maturities of net investment in sublease of Right of Use Asset on an undiscounted basis:

	Rs. in Crores	
	2022	2021
Less than 1 year	0.37	0.49
1 to 2 years	-	0.37
<b>Total</b>	<b>0.37</b>	<b>0.86</b>

Finance income on the net investment in the sublease recognised in the financial statement is Rs 0.05 crores (Rs 0.09 Crores).

# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## 36. A) RELATED PARTY DISCLOSURE

### Related Parties

#### Promoter

Tata Sons Private Limited

#### Subsidiaries

Tata Consumer Products UK Group Limited

Tata Global Beverages Holdings Limited

Tata Global Beverages Services Limited

Tata Consumer Products GB Limited

Tata Consumer Products Overseas Holdings Limited

Tata Global Beverages Overseas Limited

Lyons Tetley Limited

Tata Consumer Products US Holding Inc

Tata Water LLC

Tetley USA Inc

Tata Consumer Products Canada Inc

Tata Consumer Products Australia Pty Limited

Earth Rules Pty Limited

Stansand Limited

Stansand(Brokers) Limited

Stansand(Africa) Limited

Stansand(Central Africa) Limited

Tata Consumer Products Polska sp.oz.o

Drassington Limited, UK

Good Earth Corporation

Good Earth Teas Inc.

Teapigs Limited.

Teapigs US LLC.

Tata Global Beverages Investments Limited

Campestres Holdings Limited

Kahutara Holdings Limited

Suntyco Holding Limited

Onomento Co Limited

Tata Coffee Limited

Tata Coffee Vietnam Company Limited

Consolidated Coffee Inc

Eight 'O Clock Coffee Company

Eight 'O Clock Holdings Inc

Tata Tea Extractions Inc

Tata Consumer Products Capital Limited

Tata Tea Holdings Private Limited

NourishCo Beverages Limited

Tata Consumer Soufull Private Limited

TRIL Constructions Limited (w.e.f. 17<sup>th</sup> November, 2021)

Tata Smartfoodz Limited (w.e.f. 16<sup>th</sup> November, 2021)

TCPL Beverages & Foods Limited (w.e.f. 25<sup>th</sup> February, 2022)

#### Associates

Amalgamated Plantations Private Limited

Kanan Devan Hills Plantations Company Private Limited

TRIL Constructions Limited (till 16<sup>th</sup> November, 2021)

#### Joint Ventures

Tata Starbucks Private Limited

#### Joint Venture of Subsidiaries

Tetley ACI (Bangladesh) Limited

Tetley Clover (Private) Limited

Joekels Tea Packers (Proprietary) Limited

#### Key Management Personnel

Mr. Sunil D'Souza - Managing Director and CEO

Mr L Krishna Kumar - Executive Director and Group CFO

#### Subsidiary and Joint Venture of Promoter Company

Tata Investment Corporation Limited

Ewart Investments Limited

Tata AIG General Insurance Co Limited

Tata AIA Life Insurance Co Limited

Tata Consultancy Services Limited

Tata Elxsi Limited

Tata Industries Limited

Tata Communications Limited

Tata Teleservices Limited

Tata Teleservices Maharashtra Limited

Infiniti Retail Limited

Tata Capital Financial Services Limited

Supermarket Grocery Supplies Private Limited (w.e.f. 27<sup>th</sup> May, 2021)

Innovative Retail Concepts Private Limited (w.e.f. 27<sup>th</sup> May, 2021)

Tata 1MG Healthcare Solutions Private Limited (w.e.f. 9<sup>th</sup> June, 2021)

Tata Realty Infrastructure Limited

#### Employee Benefit Plans

Tata Tea Limited Management Staff Gratuity Fund

Tata Tea Limited Management Staff Superannuation Fund

Tata Tea Limited Staff Pension Fund

Tata Tea Limited Gratuity Fund

Tata Tea Limited Calcutta Provident Fund



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 36. B) PARTICULARS OF TRANSACTIONS ENTERED INTO WITH RELATED PARTIES FOR THE YEAR ENDED 31 MARCH, 2022:

Particulars	Rs. in Crores	
	2022	2021
<b>Sales of Goods and Services</b>		
Subsidiaries	227.19	209.62
Associates	2.62	6.14
Joint Ventures	-	1.15
Subsidiaries and Joint Ventures of Promoter	159.53	0.00
<b>Other Operating Income</b>		
Subsidiaries	34.46	27.99
Associates	3.60	3.25
Joint Ventures	19.08	10.26
<b>Sale of Fixed Asset</b>		
Subsidiaries	0.21	-
Joint Ventures	0.01	-
<b>Rent Paid</b>		
Associates	2.18	2.72
<b>Purchase of Goods &amp; Services</b>		
Subsidiaries	140.09	86.81
Associates	214.33	224.37
Subsidiaries and Joint Ventures of Promoter	13.02	-
<b>Other Expenses (Net)</b>		
Subsidiaries	25.31	14.17
Associates	3.60	3.00
Joint Ventures	-	0.96
Promoter	21.97	18.78
Subsidiaries and Joint Ventures of Promoter	76.41	59.68
<b>Reimbursement of Expenditure/(Income)</b>		
Subsidiaries	(23.57)	(7.26)
Associates	(3.16)	(3.57)
Joint Ventures	(1.82)	(0.26)
Promoter	0.17	0.14
<b>Dividend/Interest received</b>		
Subsidiaries	144.13	52.94
Associates	2.15	2.04
Promoter	1.76	1.76
Subsidiaries and Joint Ventures of Promoter	3.38	0.26
<b>Dividend Paid</b>		
Promoter	109.58	73.05
Subsidiaries and Joint Ventures of Promoter	19.77	13.18
<b>Intercompany Loan/ Deposits Given</b>		
Subsidiaries	49.00	-
Associates	-	3.00
Subsidiaries and Joint Ventures of Promoter	190.00	-
<b>Intercompany Loan/ Deposits Redeemed</b>		
Subsidiaries	34.25	-
Associates	3.50	-
Subsidiaries and Joint Ventures of Promoter	120.00	-

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

Rs. in Crores		
Particulars	2022	2021
<b>Investment made</b>		
Subsidiaries	68.00	-
Associates	150.00	-
Joint Ventures	86.00	97.50
Subsidiaries and Joint Ventures of Promoter	442.13	-
<b>Directors Remuneration *</b>		
Key Management Personnel	13.63	12.50
<b>Contribution to Funds</b>		
Post Employment Benefit Plans	27.08	36.58

### Outstanding at the year end:

	2022		2021	
	Debit	Credit	Debit	Credit
Subsidiary	108.55	9.63	51.72	6.85
Associates	11.81	5.11	17.28	1.14
Joint Ventures	2.55	-	3.98	-
Promoter	-	23.52	-	17.96
Subsidiaries and Joint Ventures of Promoter	94.05	9.90	-	12.94
Employment Benefit Plans	-	3.49	-	8.27

\* Provision for employee benefits, which are based on actuarial valuation done on an overall company basis, is excluded.

### 36. C) DETAILS OF MATERIAL TRANSACTIONS (I.E EXCEEDING 10% OF TOTAL TRANSACTION VALUES IN RESPECTIVE CATEGORY) ENTERED INTO WITH RELATED PARTIES FOR THE YEAR ENDED MARCH 31, 2022:

Rs. in Crores		
Particulars	2022	2021
<b>Sales of Goods and Services</b>		
<b>Subsidiaries</b>		
Tata Consumer Products GB Limited	90.72	99.55
Tata Tea Extractions Inc	73.51	54.66
<b>Subsidiaries and Joint Ventures of Promoter</b>		
Supermarket Grocery Supplies Private Limited	58.64	-
Innovative Retail Concepts Private Limited	100.75	-
<b>Other Operating Income</b>		
<b>Subsidiary</b>		
Tata Consumer Products GB Limited	34.45	26.08
<b>Joint Ventures</b>		
Tata Starbucks Private Limited	19.08	10.26
<b>Sale of Fixed Asset</b>		
<b>Subsidiary</b>		
Tata Consumer Soufull Private Limited	0.21	-
<b>Rent Paid</b>		
<b>Associates</b>		
Kanan Devan Hills Plantation Company Private Limited	0.80	1.14
Amalgamated Plantations Private Limited	1.38	1.58



# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

Particulars	Rs. in Crores	
	2022	2021
<b>Purchase of Goods &amp; Services</b>		
<b>Subsidiaries</b>		
Tata Coffee Limited	50.69	47.35
Tata Consumer Soufull Private Limited	43.35	-
<b>Associates</b>		
Kanan Devan Hills Plantation Company Private Limited	85.36	95.72
Amalgamated Plantations Private Limited	128.97	128.65
<b>Other Expenses (Net)</b>		
<b>Subsidiary</b>		
NourishCo Beverages Limited	25.31	14.07
<b>Promoter</b>		
Tata Sons Private Limited	21.97	18.78
<b>Subsidiaries and Joint Ventures of Promoter</b>		
Tata AIG General Insurance Limited	29.40	19.88
Tata Consultancy Services Limited	27.53	24.61
Tata Communications Limited	14.81	-
<b>Reimbursement of Expenditure/(Income)</b>		
<b>Subsidiaries</b>		
Tata Consumer Products GB Limited	7.74	(1.95)
Nourishco Beverages Limited	(6.72)	(4.10)
Tata Smartfoodz Limited	(5.53)	-
Consolidated Coffee Inc	4.80	-
Tata Consumer Soufull Private Limited	(23.10)	-
<b>Associates</b>		
Kanan Devan Hills Plantation Company Private Limited	-	(1.85)
Amalgamated Plantations Private Limited	-	(1.72)
<b>Dividend/Interest received</b>		
<b>Subsidiaries</b>		
Tata Coffee Limited	16.10	16.10
Consolidated Coffee Inc.	29.75	29.29
Tata Consumer Products UK Group Limited	37.21	-
Tata Consumer Products Capital Limited	23.65	-
Tata Tea Extractions Inc	36.67	7.55
<b>Dividend Paid</b>		
<b>Promoter</b>		
Tata Sons Private Limited	109.58	73.05
<b>Subsidiaries and Joint Ventures of Promoter</b>		
Tata Investment Corporation Limited	17.93	11.95
<b>Intercompany Loan/ Deposits Given</b>		
<b>Subsidiary</b>		
Tata Smartfoodz Limited	49.00	-
<b>Associate</b>		
Kanan Devan Hills Plantation Company Private Limited	-	3.00
<b>Subsidiaries and Joint Ventures of Promoter</b>		
Infiniti Retail Limited	190.00	-

# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

Particulars	Rs. in Crores	
	2022	2021
<b>Intercompany Loan/ Deposits Redeemed</b>		
<b>Subsidiary</b>		
Tata Smartfoodz Limited	34.25	-
<b>Subsidiaries and Joint Ventures of Promoter</b>		
Infiniti Retail Limited	120.00	-
<b>Investment made</b>		
<b>Associates</b>		
Amalgamated Plantations Private Limited	150.00	-
<b>Joint Ventures</b>		
Tata Starbucks Private Limited	86.00	97.50
<b>Subsidiaries and Joint Ventures of Promoter</b>		
Tata Industries Limited	395.00	-
<b>Contribution to Funds</b>		
<b>Post Employment Benefit Plans</b>		
Tata Tea Limited Management Staff Gratuity Fund	-	11.15
Tata Tea Limited Calcutta Provident Fund	19.83	17.32
Tata Tea Limited Gratuity Fund	4.76	4.66

## 36. D) DISCLOSURE UNDER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Amount of Loans and Advances in nature of loans outstanding from subsidiaries and associates as at March 31, 2022:

Particulars	Rs. in Crores	
	Outstanding 2022	Maximum during the year
<b>Associate</b>		
Kanan Devan Hills Plantation Company Private Limited	16.50	20.00
	(20.00)	(20.00)
<b>Subsidiary</b>		
Tata Smartfoodz Limited	14.75	49.00
	(-)	(-)



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 37. A INTERESTS IN OTHER ENTITIES

#### i) Subsidiaries

The Company's direct Subsidiaries as at March 31, 2022 is given below.

SI No.	Name of entity	Country of incorporation	Principal Activities	% holding	% holding
				2022	2021
1	Tata Consumer Products Capital Limited	UK	Holding company	100.00	100.00
2	Tata Consumer Products UK Group Limited *	UK	Holding company	89.85	89.10
3	Tata Coffee Ltd.	India	Manufacturing, marketing and distribution of coffee & tea	57.48	57.48
4	Tata Tea Extractions Inc.	USA	Manufacturing, marketing and distribution of tea	100.00	100.00
5	Tata Tea Holdings Private Ltd.	India	Investment Company	100.00	100.00
6	NourishCo Beverages Ltd.	India	Manufacturing and distribution of RTD products	100.00	100.00
7	Tata Consumer Soufull Private Limited	India	Manufacturing, marketing and distribution of Food Products	100.00	100.00
8	Tata Smartfoodz Limited (w.e.f. 16 <sup>th</sup> November, 2021)	India	Manufacturing and marketing ready-to-eat products	100.00	-
9	TRIL Constructions Limited (w.e.f. 17 <sup>th</sup> November, 2021) - Refer foot note 7e.	India	Development of real estate and infrastructure facilities	80.46	-
10	TCPL Beverages & Foods Limited (w.e.f. 25 <sup>th</sup> February, 2022)	India	Manufacturing, marketing and distribution of coffee & tea	100.00	-

\* Through Tata Consumer Products Capital Ltd. and Tata Tea Extractions Inc.

#### ii) Joint Ventures

A list of Company's Joint Ventures as at March 31, 2022 is given below.

SI No.	Name of entity	Country of incorporation	Principal Activities	% holding	% holding
				2022	2021
1	Tata Starbucks Private Ltd.	India	Operating Starbucks Café in India	50.00	50.00

#### iii) Associates

A list of Company's associates as at March 31, 2022 is given below.

SI No.	Name of entity	Country of incorporation	Principal Activities	% holding	% holding
				2022	2021
1	Amalgamated Plantations Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	41.03	41.03
2	Kanan Devan Hills Plantations Co. Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	28.52	28.52
3	TRIL Constructions Ltd. (till 16 <sup>th</sup> November, 2021)	India	Development of real estate and infrastructure facilities	-	32.50

### 37. B SEGMENT DISCLOSURE

The Company has disclosed segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.

# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## 38. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

### A. Accounting classification and fair values

Rs. in crores								
2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Non-Current Financial assets</b>								
Investments								
Quoted Equity Instruments	-	19.91	-	19.91	19.91	-	-	19.91
Unquoted Equity Instruments*	-	134.03	-	134.03	-	7.24	126.79	134.03
Unquoted Preference Shares	205.73	-	-	205.73	-	-	205.73	205.73
Loans	-	-	13.80	13.80	-	-	-	-
Other Financial Assets	76.91	-	27.53	104.44	-	76.91	-	76.91
<b>Current Financial assets</b>								
Current Investments	156.94	-	-	156.94	156.94	-	-	156.94
Trade Receivables	-	-	281.76	281.76	-	-	-	-
Cash and Cash Equivalents	-	-	327.40	327.40	-	-	-	-
Other Bank Balances	-	-	1001.21	1001.21	-	-	-	-
Loans	-	-	559.70	559.70	-	-	-	-
Other Financial assets	-	-	48.75	48.75	-	-	-	-
	<b>439.58</b>	<b>153.94</b>	<b>2260.15</b>	<b>2853.67</b>	<b>176.85</b>	<b>84.15</b>	<b>332.52</b>	<b>593.52</b>
<b>Non - Current Financial liabilities</b>								
Lease Liability	-	-	205.19	205.19	-	-	-	-
Others	76.91	-	-	76.91	-	76.91	-	76.91
<b>Current Financial liabilities</b>								
Lease Liability	-	-	29.71	29.71	-	-	-	-
Trade Payables	-	-	1263.74	1263.74	-	-	-	-
Other Financial Liabilities	-	0.54	77.14	77.68	-	0.54	-	0.54
	<b>76.91</b>	<b>0.54</b>	<b>1575.78</b>	<b>1653.23</b>	<b>-</b>	<b>77.45</b>	<b>-</b>	<b>77.45</b>
2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Non-Current Financial assets</b>								
Investments								
Quoted Equity Instruments	-	15.21	-	15.21	15.21	-	-	15.21
Unquoted Equity Instruments*	-	134.78	-	134.78	-	8.17	126.61	134.78
Unquoted Preference Shares	53.22	-	-	53.22	-	-	53.22	53.22
Loans	-	-	21.71	21.71	-	-	-	-
Other Financial assets	76.20	-	27.39	103.59	-	76.20	-	76.20
<b>Current Financial assets</b>								
Current Investments	287.77	-	-	287.77	287.77	-	-	287.77
Trade Receivables	-	-	257.23	257.23	-	-	-	-
Cash and Cash Equivalents	-	-	644.74	644.74	-	-	-	-
Other Bank Balances	-	-	968.95	968.95	-	-	-	-
Loans	-	-	3.79	3.79	-	-	-	-
Other Financial Assets	-	1.11	30.46	31.57	-	1.11	-	1.11
	<b>417.19</b>	<b>151.10</b>	<b>1954.27</b>	<b>2522.56</b>	<b>302.98</b>	<b>85.48</b>	<b>179.83</b>	<b>568.29</b>
<b>Non - Current Financial liabilities</b>								
Lease Liability	-	-	215.30	215.30	-	-	-	-
Others	76.20	-	-	76.20	-	76.20	-	76.20
<b>Current Financial liabilities</b>								
Lease Liability	-	-	28.94	28.94	-	-	-	-
Trade Payables	-	-	1102.63	1102.63	-	-	-	-
Other Financial Liabilities	-	-	81.93	81.93	-	-	-	-
	<b>76.20</b>	<b>-</b>	<b>1428.80</b>	<b>1505.00</b>	<b>-</b>	<b>76.20</b>	<b>-</b>	<b>76.20</b>

\* For certain investments categorized under level 3, cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represent the best estimate of fair value within that range.



# NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

## B. Measurement of fair values

The basis of measurement in respect to each class of financial asset, financial liability is disclosed in note 2.2(h) of the financial statement.

The fair value of liquid mutual funds and long term equity investment is based on active market. Fair values of certain non-current investment are valued based on discounted cash flow/book value/EBITDA multiple approach. Derivative financial instruments are generally valued based on Black-Scholes-Merton approach/ Dollar offset principles.

## C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

### i. Risk management framework

The Risk Management Committee of the Board is entrusted with the responsibility to assist the Board in overseeing and approving the Company's risk management framework. The Company has a comprehensive Risk policy relating to the risks that the Company faces under various categories like strategic, operational, reputational and other risks and these have been identified and suitable mitigation measures have also been formulated. The Risk Management Committee reviews the key risks and the mitigation measures periodically. The Audit Committee has additional oversight in the area of financial risks and control.

### ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Company is exposed to credit risk arising from its operating (primarily trade receivables) and investing activities including deposits placed with banks, financial institutions and other corporate deposits. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of financial assets. Financial assets are classified into performing, under-performing and non-performing. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Company is certain about the non-recovery.

#### a. Trade Receivables

The Company has an established credit policy and a credit review mechanism. The Company also covers certain category of its debtors through a credit insurance policy. In such case the insurance provider sets an individual credit limit and also monitors the credit risk. The concentration of credit risk arising from trade receivables is limited due to large customer base.

Management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behavior and analysis of customer credit risk.

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Rs. in Crores
<b>Balance as at March 31, 2020</b>	<b>14.46</b>
Impairment loss recognised	20.46
Amounts written off	-
<b>Balance as at March 31, 2021</b>	<b>34.92</b>
Impairment loss recognised	-
Amounts written off	-
<b>Balance as at March 31, 2022</b>	<b>34.92</b>

### b. Financial instruments and cash deposits

The credit risk from balances / deposits with banks, other financial assets and current investments are managed in accordance with the Company's approved policy. Investments of surplus funds are made only with approved counterparties and within the limits assigned to each counterparty. The limits are assigned to mitigate the concentration risks. These limits are actively monitored by the Company.

### iii. Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The Company's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time. The Company has sufficient short term fund based lines, which provides healthy liquidity and these carry highest credit quality rating from reputed credit rating agency.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities (excluding lease liabilities) at the reporting date. The amounts are gross and undiscounted, and exclude the impact of netting agreements.

	Rs. in Crores				
	Contractual cash flows				
2022	Carrying amount	Less than 1 year	1- 2 years	2- 5 years	More than 5 years
<b>Current Financial Liabilities</b>					
Trade Payables	1263.74	1263.74	-	-	-
Other Financial Liabilities	77.68	77.68	-	-	-
<b>Non-Current Financial Liabilities</b>					
Others	76.91	-	-	76.91	-

  

	Rs. in Crores				
	Contractual cash flows				
2021	Carrying amount	Less than 1 year	1- 2 years	2- 5 years	More than 5 years
<b>Current Financial Liabilities</b>					
Trade Payables	1102.63	1102.63	-	-	-
Other Financial Liabilities	81.93	81.93	-	-	-
<b>Non-Current Financial Liabilities</b>					
Others	76.20	-	-	76.20	-



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### iv. Market risk

Market risk is the risk that the fair value of the future cash flows will fluctuate because of changes in the market prices such as currency risk, interest rate risk and commodity price risk.

#### a) Currency risk

The Company operates across various geographies and is exposed to foreign exchange risk on its various currency exposures. The risk of changes in foreign exchange rates relates primarily to the Company's operating activities and translation risk, which arises from recognition of foreign currency assets and liabilities.

During the year, the Company has designated certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign currency exposure on highly probable forecasted transactions. Hedge effectiveness is determined at inception and periodic prospective effectiveness testing is done to ensure the relationship exist between the hedged items and hedging instruments, including whether the hedging instruments is expected to offset changes in cash flows of hedge items.

#### Exposure to currency risk

The currency profile of financial assets and liabilities as at March 31, 2022 and March 31, 2021 are as below:

				Rs. in Crores
2022	USD	GBP	Others	Total
<b>Financial assets</b>				
Trade receivables	56.36	0.10	17.70	74.16
<b>Financial liabilities</b>				
Trade payables	7.09	2.19	-	9.28

				Rs. in Crores
2021	USD	GBP	Others	Total
<b>Financial assets</b>				
Trade receivables	35.85	-	20.92	56.77
<b>Financial liabilities</b>				
Trade payables	4.21	2.46	1.52	8.19

The following table gives details in respect of outstanding foreign currency forward contracts –

Category	Instrument	Currency pair	2022			2021		
			FCY Amount (million)	Equivalent Amount (Rs. in Crores)	Fair Value Amount (Rs. in Crores)*	FCY Amount (million)	Equivalent Amount (Rs. in Crores)	Fair Value Amount (Rs. in Crores)*
Hedges of highly probable forecasted transactions	Forward contract	USD/ INR	9.35	70.86	0.36	9.20	70.23	1.31
Hedges of highly probable forecasted transactions	Forward contract	AUD/ INR	6.00	34.01	(0.90)	6.05	34.38	(0.20)

\* Represents impact of mark to market value as at year end.

Following table summarises approximate gain / (loss) on the company's profit before tax and pre-tax equity on account of appreciation / depreciation of underlying foreign currencies -

					Rs. in Crores
Details	2022		2021		
	Effect on Profit before tax	Effect on Pre-tax Equity	Effect on Profit before tax	Effect on Pre-tax Equity	
5% appreciation of the underlying foreign currencies	3.24	(2.00)	2.43	(2.65)	
5% depreciation of the underlying foreign currencies	(3.24)	2.00	(2.43)	2.65	

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

**Movement in cash flow hedging reserve for derivatives designated as cash flow hedges is given below –**

Details	Rs. in Crores	
	2022	2021
Balance at the beginning of the period	0.83	(1.13)
Movement during the year	(1.65)	2.62
Tax impact on above	0.41	(0.66)
<b>Balance at the end of the period</b>	<b>(0.41)</b>	<b>0.83</b>

**b) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

**c) Price Risk**

The price risk is the risk arising from investments held by the Company and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss.

The Company's equity investments are mainly strategic in nature and are generally held on a long term basis. Further, the current investments are in units of liquid mutual fund and these are not exposed to significant price risk.

**d) Commodity Risk**

The Company is exposed to the fluctuations in commodity prices mainly for tea, salt and pulses. Mismatch in demand and supply, adverse weather conditions, market expectations etc., can lead to price fluctuations. For tea, the Company manages these price fluctuations by actively managing the sourcing of tea, private purchases and alternate blending strategies without impacting the quality of the blend. For salt and pulses, these fluctuations are managed through active sourcing and commercial negotiation with customers and suppliers.

### Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds.

The Company's adjusted net debt to equity position was as follows:

	Rs. in Crores	
	2022	2021
<b>Total Borrowings</b>	-	-
Less: Cash and Cash Equivalents including Deposits	1317.68	1604.10
Less: Current Investments	156.94	287.77
Less: Inter Corporate Deposits/Loan	572.25	24.25
<b>Adjusted net (cash)/debt</b>	<b>(2046.87)</b>	<b>(1916.12)</b>
<b>Total Equity</b>	<b>11761.91</b>	<b>11224.10</b>



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 39. EMPLOYEE BENEFITS OBLIGATION:

#### i) Defined Contributions

Amount of Rs. 15.10 crores (Rs. 14.23 crores) is recognised as an expense and included in employee benefit expense to the following defined contribution plans:

	Rs. in Crores	
	2022	2021
Provident Fund	9.74	8.63
Superannuation Fund	3.13	3.46
Employee state insurance schemes	2.23	2.14
	<b>15.10</b>	<b>14.23</b>

#### ii) Defined Benefits

##### Gratuity, Pension and Post Retiral Medical Benefits:

The Company operates defined benefit schemes like retirement gratuity, defined pension benefits and postretirement medical benefits. There are other superannuation benefits and medical benefits restricted to certain categories of employees/directors in the form of pension, medical and other benefits in terms of a specific policy related to the same. The defined benefit schemes offer specified benefits to the employees on retirement. The gratuity benefit provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' last drawn salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

##### Changes in the Defined Benefit Obligation :

	Rs. in Crores							
	Pension		Gratuity		Medical		Others	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening Defined Benefit Obligation	5.51	6.77	77.97	76.39	54.12	51.55	92.11	83.84
Current Service cost	-	-	6.51	5.58	1.43	1.59	3.95	6.13
Interest on Defined Benefit Obligation	0.30	0.36	4.65	4.59	3.41	3.30	5.71	5.31
Actuarial changes arising from change in experience	(0.27)	(0.29)	0.71	0.14	(7.17)	(2.10)	(1.04)	1.12
Actuarial changes arising from change in demographic assumption	0.02	-	(2.58)	-	-	-	-	-
Actuarial changes arising from changes in financial assumption	(0.09)	0.02	(3.30)	0.68	(3.81)	0.83	(5.30)	0.27
Benefits Paid	(0.70)	(1.35)	(7.75)	(9.43)	(1.06)	(1.05)	(5.43)	(4.56)
Liability assumed/settled	-	-	(0.08)	0.02	-	-	-	-
<b>Closing Defined Benefit Obligation</b>	<b>4.77</b>	<b>5.51</b>	<b>76.13</b>	<b>77.97</b>	<b>46.92</b>	<b>54.12</b>	<b>90.00</b>	<b>92.11</b>

##### Changes in the Fair value of Plan Assets during the year:

	Rs. in Crores			
	Pension		Gratuity	
	2022	2021	2022	2021
Opening fair value of Plan assets	5.14	5.92	71.30	65.98
Employers contribution	(1.50)	-	6.68	10.49
Interest on Plan Assets	0.23	0.31	4.44	4.06
Actual return on plan assets less interest on plan assets	0.46	0.07	0.47	0.18
Benefits Paid	(0.52)	(1.16)	(7.75)	(9.43)
Asset acquired/(settled)	-	-	(0.08)	0.02
<b>Closing Fair value of plan assets</b>	<b>3.81</b>	<b>5.14</b>	<b>75.06</b>	<b>71.30</b>

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### Net Asset/(Liability) recognised in balance sheet

	Rs. in Crores							
	Pension		Gratuity		Medical		Others	
	2022	2021	2022	2021	2022	2021	2022	2021
Present Value of Funded defined benefit obligation at the year end	2.94	3.46	76.13	77.97	-	-	-	-
Fair value of plan assets at the end of the year	3.81	5.14	75.06	71.30	-	-	-	-
	<b>(0.87)</b>	<b>(1.68)</b>	<b>1.07</b>	<b>6.67</b>	-	-	-	-
Present Value of Unfunded defined benefit obligation at the year end	1.83	2.05	-	-	46.92	54.12	90.00	92.11
Asset ceiling	0.29	0.57	-	-	-	-	-	-
<b>Amount recognised in Balance Sheet</b>	<b>1.25</b>	<b>0.94</b>	<b>1.07</b>	<b>6.67</b>	<b>46.92</b>	<b>54.12</b>	<b>90.00</b>	<b>92.11</b>

### Expense recognized in the statement of profit and loss for the year:

	Rs. in Crores							
	Pension		Gratuity		Medical		Others	
	2022	2021	2022	2021	2022	2021	2022	2021
Current Service Cost	-	-	6.51	5.58	1.43	1.59	3.95	6.13
Interest cost on defined benefit obligation (net)	0.07	0.05	0.21	0.53	3.41	3.30	5.71	5.31
<b>Total recognised in the statement of profit and loss</b>	<b>0.07</b>	<b>0.05</b>	<b>6.72</b>	<b>6.11</b>	<b>4.84</b>	<b>4.89</b>	<b>9.66</b>	<b>11.44</b>

### Amounts recognized in Other Comprehensive Income for the year:

	Rs. in Crores							
	Pension		Gratuity		Medical		Others	
	2022	2021	2022	2021	2022	2021	2022	2021
Actuarial changes arising from changes in financial assumption	(0.09)	0.02	(3.30)	0.68	(3.81)	0.83	(5.30)	0.27
Actuarial changes arising from changes in demographic assumption	0.02	-	(2.58)	-	-	-	-	-
Actuarial changes arising from changes in experience assumption	(0.27)	(0.29)	0.71	0.14	(7.17)	(2.10)	(1.04)	1.12
Return on plan asset excluding interest Income	(0.46)	(0.07)	(0.47)	(0.18)	-	-	-	-
Adjustment to recognise the effect of asset ceiling	(0.28)	0.01	-	-	-	-	-	-
<b>Total recognised in Other Comprehensive Income</b>	<b>(1.08)</b>	<b>(0.33)</b>	<b>(5.64)</b>	<b>0.64</b>	<b>(10.98)</b>	<b>(1.27)</b>	<b>(6.34)</b>	<b>1.39</b>

### Maturity Profile of defined benefit obligation (on an undiscounted basis)

	Rs. in Crores							
	Pension		Gratuity		Medical		Others	
	2022	2021	2022	2021	2022	2021	2022	2021
Within next 12 months	1.53	2.21	14.02	10.26	1.81	1.78	5.77	5.80
Between 2 and 5 years	2.21	2.86	24.08	22.77	7.77	7.71	26.29	25.13
Between 6 and 9 years	1.02	1.83	26.23	25.53	8.53	8.53	28.73	27.98
10 years and above	1.44	1.77	82.75	98.49	46.33	48.41	145.18	139.12



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### Principal Actuarial assumptions used:

	2022	2021
Discount rates	6.95%	6.40%
Salary escalation rate	8% for management staff 7% for workers/staff	8% for management staff 7% for workers/staff
Annual increase in health care costs	8%	8%
Pension increase rate	18% after every three years	18% after every three years
Mortality rates	Indian Assured Lives mortality (2012-14) Ult Table	Indian Assured Lives mortality (2012-14) Ult Table

### Quantitative sensitivity analysis for significant assumption is as below:

Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

	Rs. in Crores			
	Pension	Gratuity	Medical	Others
	2022	2022	2022	2022
Impact of increase in 50 basis point in discount rate on Defined Benefit Obligation	(0.08)	(2.79)	(3.06)	(3.99)
Impact of decrease in 50 basis point in discount rate on Defined Benefit Obligation	0.08	2.99	3.43	4.32
Impact of increase in 50 basis point in salary escalation on Defined Benefit Obligation	-	2.96	-	-
Impact of decrease in 50 basis point in salary escalation on Defined Benefit Obligation	-	(2.79)	-	-
Impact of increase in 100 basis point in health care cost on Defined Benefit Obligation	-	-	7.06	0.11
Impact of decrease in 100 basis point in health care cost on Defined Benefit Obligation	-	-	(5.75)	(0.09)
Impact of increase in 100 basis point in pension rate on Defined Benefit Obligation	0.07	-	-	2.28
Impact of decrease in 100 basis point in pension rate on Defined Benefit Obligation	(0.06)	-	-	(2.20)
Impact of increase in 1 year in Life Expectancy on Defined Benefit Obligation	0.12	-	2.56	3.64
Impact of decrease in 1 year in Life Expectancy on Defined Benefit Obligation	(0.12)	-	(2.58)	(3.63)

### Major Categories of Plan Assets :

	Rs. in Crores			
	Pension		Gratuity	
	2022	2021	2022	2021
Govt of India Securities	-	0.10	-	-
Insurance managed Funds	3.67	4.90	74.83	70.95
Others	0.14	0.14	0.23	0.35
<b>Total</b>	<b>3.81</b>	<b>5.14</b>	<b>75.06</b>	<b>71.30</b>

The Company contributes all its ascertained liabilities towards gratuity to the trust set up for the same. Trustees administer the contributions made to the trust. As at March 31, 2022 and March 31, 2021, the plan assets have been primarily invested in insurer managed funds.

## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### Expected Contribution over the next financial year:

The Company is expected to contribute Rs. 1.82 Crores to defined benefit obligation funds for the year ending March 31, 2023.

### (iii) Provident Fund

The Company operates Provident Fund Schemes and the contributions are made to recognized funds maintained by the Company and for certain categories contributions are made to State Plans. The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered rates on an annual basis. The Actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumption:

The details of fund and plan asset position are given below:

	Rs. in Crores	
	2022	2021
Plan Assets as at year end	214.17	178.52
Present Value of Funded Obligations at year end	214.17	183.96
Amount Recognised in the Balance Sheet	-	(5.44)

### Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

	2022	2021
Guaranteed Rate of Return	8.10%	8.50%
Discount Rate for remaining term to Maturity of Investment	6.80%	6.55%
Expected Rate of Return on Investment	8.42%	8.35%

- 40 A. The Board of Directors of the Company in its meeting held on March 29, 2022, has approved the composite scheme of arrangement (the scheme), amongst the Company and its subsidiaries, Tata Coffee Limited (TCL) and TCPL Beverages & Foods Limited (TBFL), in terms of Section 230-232 and other applicable provisions of Companies Act, 2013.

The Scheme inter alia provides for the demerger of the Plantation Business (as defined in the Scheme) of TCL into TBFL and as consideration, issue equity shares of the Company to all the shareholders of TCL (other than to itself) in accordance with the Share Entitlement Ratio mentioned in the Scheme. This would be followed immediately by the amalgamation of the TCL comprising of the Remaining Business (as defined in the Scheme) with the Company and as consideration, issue equity shares of the Company to all the shareholders of TCL (other than to itself) in accordance with the Share Exchange Ratio mentioned in the Scheme.

The Scheme would become effective after receipt of all requisite approvals as mentioned in the Scheme. Pending receipt of necessary approvals, no effect of the Scheme has been given in the financial results for the year ended March 31, 2022.

- 40 B. The Board of Directors of the Company in its meeting held on March 29, 2022 has also approved acquisition of additional 10.15% stake in Tata Consumer Products UK Group Limited, an overseas subsidiary, through an issue of equity shares of the Company on a preferential basis, as consideration for the acquisition. Post completion of this acquisition after requisite approvals, Tata Consumer Products UK Group Limited will become a wholly owned subsidiary of the Company.

### 41. AUDIT FEES

	Rs. in Crores	
	2022	2021
Statutory Audit	1.87	1.70
Tax Audit	0.16	0.16
Other Services ( including Limited Reviews)	1.60	1.39
Reimbursement of Expenses	0.05	0.03
	<b>3.68</b>	<b>3.28</b>



## NOTES

to the Standalone Financial Statements for the year ended March 31, 2022

### 42. ADDITIONAL REGULATORY INFORMATION

#### i) Financial Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021:

Particulars	Numerator	Denominator	2022	2021	Change
(a) Current Ratio	Current Assets	Current Liabilities	2.56	2.75	-7%
(b) Debt-Equity Ratio	Total Debt (Note 1)	Total Equity	0.02	0.02	8%
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt Service (Note 2)	20.54	17.68	16%
(d) Return on Equity Ratio	Profit for the year	Average Total Equity	7.71%	5.61%	210bps *
(e) Inventory turnover ratio	Revenue from Operations	Average Inventory	5.92	6.15	-4%
(f) Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivable	29.43	25.04	18%
(g) Trade payables turnover ratio	Purchases and Other Services	Average Trade Payables	5.47	7.63	28% **
(h) Net capital turnover ratio	Revenue from Operations	Working Capital	3.32	2.91	14%
(i) Net profit ratio	Profit for the year	Revenue from Operations	11.17%	8.66%	251bps ***
(j) Return on Capital employed	EBIT (Note 3)	Capital Employed (Note 4)	22.25%	20.83%	142bps
(k) Return on investment	Earnings from invested funds	Average invested funds in Treasury Investments	3.98%	3.92%	6bps

\* Led by higher operating margin and other income

\*\* Higher efficiency due to working capital optimisation

\*\*\* Led by higher operating margin and other income

Note 1: Debt includes lease liabilities

Note 2: Debt service = Interest and Lease payments and Principal Repayments

Note 3: EBIT = Profit before exceptional items + Finance Costs - Interest and Investment Income

Note 4: Capital Employed = Net Tangible Assets + Total Debt + Deferred Tax Liabilities

#### ii) Relationship with Struck off Companies

The company does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the current year and in the previous year.

43. Unless otherwise stated, figures in brackets relate to the previous year. Previous period's figures have been regrouped / rearranged, to the extent necessary, to conform to current period's classifications. All the numbers have been rounded off to nearest crore.

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Tata Consumer Products Limited

#### Report on the Audit of the Consolidated Financial Statements

##### Opinion

We have audited the accompanying consolidated financial statements of Tata Consumer Products Limited (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group") which includes the Group's net share of loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on financial statements of the subsidiaries and joint ventures referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act ("SA"s). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



## INDEPENDENT AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p><b>Impairment of the carrying value of goodwill on consolidation</b></p> <p>On account of competitive pressure and decline in black tea demand in developed markets, there is a risk that the Group's goodwill attributable/allocated to cash generating units in those markets may be impaired.</p> <p>The Group annually carries out an impairment assessment of goodwill using a value-in-use model which is based on the net present value of the forecast earnings of the cash-generating units. This is calculated using certain assumptions around discount rates, growth rates and cash flow forecasts.</p> <p>Focus was on the goodwill carried in books for cash generating units with lower headroom.</p> <p>Refer note 6 and note 2.3 to the financial statements</p>	<p>The goodwill has been recorded in the books of an overseas component. The Component Auditor has reported that they have performed the following procedures.</p> <p>Besides obtaining an understanding of Management's processes and controls with regard to testing the goodwill for impairment, the Component Auditor's procedures included the following:</p> <ul style="list-style-type: none"> <li>Engaged internal fair valuation experts to challenge management's underlying assumptions and appropriateness of the valuation model used.</li> <li>Compared the Group's assumptions with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates.</li> <li>Assessed the appropriateness of the forecast cash flows within the budgeted period based on their understanding of the business and sector experience.</li> <li>Considered historical forecasting accuracy, by comparing previously forecasted cash flows to actual results achieved.</li> <li>Performed a sensitivity analysis in relation to key assumptions.</li> </ul> <p>We have engaged with the Component Auditor to understand the nature, timing and extent of their audit procedures. We have also assessed whether the Group's disclosures regarding the sensitivity of the impairment assessment to changes in key assumptions, appropriately reflected the risk inherent in the valuation of goodwill.</p>
2.	<p><b>Impairment of investments in an associate</b></p> <p>During the current financial year, an associate has incurred significant losses as it has not been able to recover increase in input costs through increased prices. This has triggered an impairment assessment of carrying value of investments of preference shares of ₹206 crore in the associate in consolidated financial statements of the Company. The Company has also engaged a valuation expert to evaluate the recoverable value of the entity through sale of its assets.</p> <p>Refer Note 35(c) to the financial statements.</p>	<p>Besides obtaining an understanding of Management's processes and controls with regard to testing the investments for impairment, our procedures included the following:</p> <ol style="list-style-type: none"> <li>We understood the methodology applied by Management in performing its impairment test for the investments at fair value and walked through the controls over the process.</li> <li>We challenged the assumptions made by Management for the input data used by Management through discussions, comparisons to industry peers and other available independent external data sources. We also performed sensitivity analysis on the key assumptions.</li> </ol>

## INDEPENDENT AUDITOR'S REPORT

Sr. No.	Key Audit Matter	Auditor's Response
3.	<p><b>Inventory of raw / cured coffee beans ("green coffee beans"), tea and pepper (Valuation) – Tata Coffee Limited:</b></p> <p>Finished goods inventory are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always a volatility in the selling price of green coffee beans, tea and pepper, which is dependent upon various market conditions and the possible impact of COVID-19, determination of the net realizable value for green coffee beans, tea and pepper involves significant management judgement and therefore has been considered as a key audit matter.</p> <p>The total value of finished goods (commodities) as at 31 March, 2022 is ₹209.12 crore.</p>	<p>This matter is in respect of the Tata Coffee Limited component. We have used the work of Component Auditors. The Component Auditor has reported that they have performed the following procedures:</p> <p>With respect to the net realisable value:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the determination of the net realizable values of green coffee beans, tea and pepper and assessed and tested the reasonableness of the significant judgements applied by the management.</li> <li>Evaluated the design of internal controls relating to the valuation of green coffee beans, tea and pepper and also tested the operating effectiveness of the aforesaid controls.</li> <li>To assess the reasonableness of the net realisable value that was estimated and considered by the management: <ul style="list-style-type: none"> <li>With respect to the committed stock of green coffee beans for which the Company has entered into contracts with the respective customers, on a sample basis, compared the net realisable value with the rates as per the said contracts;</li> <li>With respect to the uncommitted stock of green coffee beans, obtained the market information relating to coffee prices and assessed the reasonableness of the adjustments that were made to such market prices to estimate the net realisable value;</li> <li>With respect to the uncommitted stock of tea and pepper, obtained the latest realization rates / market information relating to prices and assessed the reasonableness of the adjustments that were made to such market prices to estimate the net realisable value;</li> <li>Verified the publicly available market information to assess if there has been significant decrease in the rates subsequent to the year end.</li> </ul> </li> <li>Compared the actual costs incurred to sell based on the latest sale transactions to assess the reasonableness of the cost to sell that was estimated and considered by the management.</li> <li>Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value.</li> <li>Tested the appropriateness of the disclosure in the financial statements in accordance with the applicable financial reporting framework.</li> </ul>



## INDEPENDENT AUDITOR'S REPORT

### Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors including Annexures thereto, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint ventures is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included

in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users

## INDEPENDENT AUDITOR'S REPORT

taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such business activities included in the consolidated financial statements of which we are the independent auditors. For the business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



## INDEPENDENT AUDITOR'S REPORT

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of 34 subsidiaries whose financial statements reflect total assets of ₹10,884.84 crore as at March 31, 2022, total revenues of ₹3,706.12 crore and net cash outflows amounting to ₹192.42 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹9.90 crore for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of 3 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and joint ventures referred to in the Other Matters section above we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses

## INDEPENDENT AUDITOR'S REPORT

an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures.
- ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India.
- iv) a. The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any

other sources or kind of funds) by the Parent Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- b. The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us on the financial statements of the Parent Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.



## INDEPENDENT AUDITOR'S REPORT

- v) The final dividend proposed in the previous year, declared and paid by the Parent Company during the year is in accordance with section 123 of the Act.

As stated in note 14 to the financial statements, the Board of Directors of the Parent Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/the "Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO

reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Sanjiv V Pilgaonkar**

Partner

Place: Mumbai  
Date: May 04, 2022

(Membership No.039826)  
UDIN: 22039826AIJDNT5756

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

**(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Tata Consumer Products Limited (hereinafter referred to as the “Parent”) and its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, as of that date.

### **Management’s Responsibility for Internal Financial Controls**

The respective Boards of Directors of the Parent, its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies, its associate companies and its joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under

Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies, its associate companies and its joint venture, which are companies incorporated in India.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management



## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion to the best of our information and according to the explanations given to us, the Parent, its subsidiary companies, its associate companies and joint venture,

which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Mumbai  
Date: May 04, 2022

**Sanjiv V Pilgaonkar**  
Partner  
(Membership No.039826)  
UDIN: 22039826AIJDNT5756

# CONSOLIDATED BALANCE SHEET

as at March 31, 2022

	Note	2022	Rs in Crores 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property Plant and Equipment	3	1480.31	1222.67
Capital Work in Progress		209.44	93.17
Investment Property	4	17.31	33.17
Investment Property under Development	4A	214.78	-
Right of Use Assets	5	378.44	386.41
Goodwill	6	7754.11	7596.57
Other Intangible Assets	6	2754.40	2784.31
Intangible Assets under Development		37.53	19.68
Investments accounted for using Equity method	35(c)	234.31	207.27
Financial Assets			
Investments	7	364.94	275.46
Loans	8	14.01	21.87
Other Financial Assets	9	35.69	74.92
Deferred Tax Assets (Net)	20 (d)	42.72	38.05
Non-current Tax Assets (Net)	20 (c)	141.66	142.30
Other Non Current Assets	10	302.26	311.39
		<b>13981.91</b>	<b>13207.24</b>
<b>Current Assets</b>			
Inventories	11	2266.51	2249.16
Financial Assets			
Investments	7	198.03	323.16
Trade Receivables	12	835.15	761.32
Cash and Cash Equivalents	13	1497.97	2041.99
Other Bank balances	13	1101.92	1032.89
Loans	8	659.94	185.12
Other Financial Assets	9	184.30	116.35
Current Tax Assets (Net)	20 (c)	1.33	1.37
Other Current Assets	10	390.53	337.27
		<b>7135.68</b>	<b>7048.63</b>
<b>TOTAL ASSETS</b>		<b>21117.59</b>	<b>20255.87</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	14 (a)	92.16	92.16
Other Equity	14 (b)	15049.78	14442.35
<b>Equity attributable to the Equity holders of the company</b>		<b>15141.94</b>	<b>14534.51</b>
Non Controlling Interest		1151.62	1092.53
<b>Total Equity</b>		<b>16293.56</b>	<b>15627.04</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	241.87	287.54
Lease Liabilities	34	350.91	389.10
Other Financial Liabilities	16	93.14	80.24
Provisions	17	175.59	192.46
Deferred Tax Liabilities (Net)	20 (d)	776.41	570.16
Non Current Tax Liabilities	20 (c)	13.49	14.87
		<b>1651.41</b>	<b>1534.37</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	768.72	919.10
Lease Liabilities	34	50.51	37.81
Trade Payables	18	1915.85	1625.47
Other Financial Liabilities	16	211.78	250.19
Other Current Liabilities	19	132.15	136.09
Provisions	17	73.21	101.71
Current Tax Liabilities (Net)	20 (c)	20.40	24.09
		<b>3172.62</b>	<b>3094.46</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>21117.59</b>	<b>20255.87</b>

The accompanying notes are an integral part of the Consolidated Financial Statements

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, May 4, 2022

For and on behalf of the Board

**N. Chandrasekaran**Chairman  
(DIN 00121863)**Sunil D'Souza**Managing Director & CEO  
(DIN 07194259)**John Jacob**

Chief Financial Officer

**K P Krishnan**Director  
(DIN 01099097)**L. Krishna Kumar**Executive Director  
(DIN 00423616)**Neelabja Chakrabarty**

Company Secretary



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

	Note	2022	Rs in Crores 2021
<b>Income</b>			
Revenue from Operations	21	12425.37	11602.03
Other Income	22	140.06	121.38
<b>Total Income</b>		<b>12565.43</b>	<b>11723.41</b>
<b>Expenses</b>			
Cost of Materials Consumed	23	4908.36	4937.45
Purchase of Stock in Trade		2215.39	2114.40
Change in Inventories of Finished Goods/Work-in-progress/Stock in Trade	24	(39.78)	(149.54)
Employee Benefits Expense	25	1048.00	970.23
Finance Costs	26	72.78	68.69
Depreciation and Amortisation Expense		278.01	254.74
Advertisement and Sale Charges		840.99	726.27
Other Expenses	27	1733.63	1459.46
<b>Total Expenses</b>		<b>11057.38</b>	<b>10381.70</b>
<b>Profit before Exceptional Items and Tax</b>		<b>1508.05</b>	<b>1341.71</b>
Exceptional Items (net)	28	(52.06)	(30.65)
<b>Profit before Tax</b>		<b>1455.99</b>	<b>1311.06</b>
<b>Tax Expenses</b>	20 (a)		
Current Tax		220.24	98.16
Deferred Tax		156.80	219.11
		<b>377.04</b>	<b>317.27</b>
<b>Profit after Taxation before share of results of investments accounted using equity method</b>		<b>1078.95</b>	<b>993.79</b>
Share of net profit/(loss) in Associates and Joint Ventures using equity method		(63.79)	(63.33)
<b>Profit for the year</b>		<b>1015.16</b>	<b>930.46</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plan		55.91	(145.58)
Changes in fair valuation of equity instruments		4.67	5.88
		<b>60.58</b>	<b>(139.70)</b>
Tax impact on above items		(25.61)	22.06
		<b>34.97</b>	<b>(117.64)</b>
<b>Items that will be reclassified to profit or loss</b>			
Exchange differences on translation of foreign operations		12.74	262.68
Gains/(loss) on Effective portion of cash flow hedges		10.63	3.56
		<b>23.37</b>	<b>266.24</b>
Tax impact on above items		0.90	0.82
		<b>24.27</b>	<b>267.06</b>
<b>Total Other Comprehensive Income</b>		<b>59.24</b>	<b>149.42</b>
<b>Total Comprehensive Income</b>		<b>1074.40</b>	<b>1079.88</b>
<b>Net Profit for the year - attributable to :</b>			
Owners of Parent		935.78	856.69
Non Controlling Interest		79.38	73.77
<b>Net profit for the year</b>		<b>1015.16</b>	<b>930.46</b>
<b>Other Comprehensive Income - attributable to :</b>			
Owners of Parent		50.78	127.49
Non Controlling Interest		8.46	21.93
<b>Other Comprehensive Income</b>		<b>59.24</b>	<b>149.42</b>
<b>Total Comprehensive Income - attributable to :</b>			
Owners of Parent		986.56	984.18
Non Controlling Interest		87.84	95.70
<b>Total Comprehensive Income</b>		<b>1074.40</b>	<b>1079.88</b>
<b>Earnings Per Share</b>			
Equity share of nominal value of ₹ 1 each	29		
Basic		10.15	9.30
Diluted		10.15	9.30

The accompanying notes are an integral part of the Consolidated Financial Statements

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, May 4, 2022

For and on behalf of the Board

**N. Chandrasekaran**

Chairman  
(DIN 00121863)

**Sunil D'Souza**

Managing Director & CEO  
(DIN 07194259)

**John Jacob**

Chief Financial Officer

**K P Krishnan**

Director  
(DIN 01099097)

**L. Krishna Kumar**

Executive Director  
(DIN 00423616)

**Neelabja Chakrabarty**

Company Secretary

# CONSOLIDATED STATEMENT IN CHANGE IN EQUITY

as at March 31, 2022

## Equity Share Capital and Other Equity (Refer Note 14)

Particulars	Reserve and Surplus							Other Comprehensive Income			Total		Non Controlling Interests	Total Equity
	Equity Share Capital	Capital Reserve	Securities Premium	Share Based Payment Reserve	Capital Redemption Reserve	Contingency Reserve	Amalgamation Reserve	Revaluation Reserve	General Reserve	Retained Earnings	Effective portion of Cash Flow Hedge	Fair value gains/(loss) on Equity Instruments	Foreign Currency Translation Reserve	
Balance as at April 1, 2020	92.16	15.79	6430.87	-	0.10	1.00	8.33	21.86	1170.73	5901.95	6.71	(8.17)	173.53	13722.70
Profit for the year										856.69				14907.33
Other Comprehensive Income										(112.03)	(0.99)	5.88	234.63	930.46
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	744.66	(0.99)	5.88	234.63	149.42
Transaction with owners in their capacity as owners														1092.47
Dividends									4.75	(4.75)				73.77
Transfer to General Reserve														21.93
Reclassification of Foreign Currency Translation Reserve on disposal of foreign operations													(19.02)	149.42
Reversal of Dividend Distribution Tax														95.70
Adjustment on disposal of a subsidiary														1079.88
Balance as at March 31, 2021	92.16	15.79	6430.87	-	0.10	1.00	8.33	21.86	1175.48	6396.35	5.72	(2.29)	389.14	13722.70
Profit for the year										935.78				14907.33
Other Comprehensive Income										30.99	7.53	3.20	9.06	930.46
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	966.77	7.53	3.20	9.06	149.42
Transaction with owners in their capacity as owners														1092.47
Dividends									9.21	(9.21)				73.77
Transfer to General Reserve														21.93
Recognition of share-based payments				0.46										149.42
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income									0.80			(0.80)		95.70
Reclassification of hedging (gain) /loss to the Statement of Profit and Loss											2.63			1079.88
Non-controlling Interest on acquisition of a subsidiary (Refer Note 40)														149.42
Transaction with Non-Controlling Interest (Refer Note 35 a)									(8.99)					1092.47
Balance as at March 31, 2022	92.16	15.79	6430.87	0.46	0.10	1.00	8.33	21.86	1184.69	6972.49	15.88	0.11	398.20	15049.78

The accompanying notes are an integral part of the Consolidated Financial Statements

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, May 4, 2022

For and on behalf of the Board

**N. Chandrasekaran**  
Chairman  
(DIN00121863)

**Sunil D'Souza**  
Managing Director & CEO  
(DIN 07194259)

**John Jacob**  
Chief Financial Officer

**K P Krishnan**  
Director  
(DIN 01099097)

**L. Krishna Kumar**  
Executive Director  
(DIN 00423616)

**Neelabja Chakrabarty**  
Company Secretary



# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2022

Rs in Crores

	2022	2021
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	<b>1455.99</b>	<b>1311.06</b>
<b>Adjusted for :</b>		
Depreciation and amortisation	278.01	254.74
Finance Cost	72.78	68.69
Dividend Income	(2.12)	(2.02)
Profit on sale of current investments (net)	(8.94)	(13.00)
Fair value movement in Financial instruments at fair value through profit and loss	(13.49)	(8.11)
Interest Income	(85.39)	(72.70)
Unrealised foreign exchange (gain) / loss	(0.51)	4.13
Impairment loss recognised in trade receivables & advances (net of reversal)	1.23	21.49
(Profit) / Loss on sale of Property, Plant & Equipment including investment property (net)	1.61	(11.75)
Rental Income from Investment Property	(2.42)	(3.81)
Exceptional Items-		
Gain on conversion of a Joint Venture into a Subsidiary	-	(84.30)
(Gain) / Loss on Disposal of a Subsidiary/Joint Venture	-	46.45
Loss on disposal of a business	-	4.25
Other Exceptional items	52.06	64.25
	<b>292.82</b>	<b>268.31</b>
<b>Operating Profit before working capital changes</b>	<b>1748.81</b>	<b>1579.37</b>
Adjustments for:		
Trade Receivables & Other Assets	(148.78)	186.14
Inventories	(0.91)	(533.45)
Trade payables & Other Liabilities	151.96	530.74
	<b>2.27</b>	<b>183.43</b>
<b>Cash generated from/(used in) operations</b>	<b>1751.08</b>	<b>1762.80</b>
Direct taxes paid (net)	(235.27)	(106.43)
<b>Net Cash from/(used in) Operating Activities</b>	<b>1515.81</b>	<b>1656.37</b>
<b>B. Cash Flow from Investing Activities</b>		
Payment for Property, Plant and Equipment including Intangibles	(273.34)	(210.68)
Sale of Property, Plant and Equipment	27.26	31.50
Rental Income from Investment Property	2.42	3.81
Sale of Non Current Investments carried at Fair value through OCI	1.20	0.02
Acquisition of Subsidiaries	(465.00)	(168.80)
Investments in Joint Ventures	(86.00)	(112.32)
Investments in Associates	(150.00)	-
Purchase of additional stake in a Subsidiary	(46.45)	-
Proceeds from disposal of Subsidiary / Joint Venture	-	56.99
Deferred consideration pertaining to disposal of a Subsidiary	11.30	-
Dividend Income received (including dividend from Associates & JVs)	12.84	5.10
Interest Income received	75.21	67.96
(Purchase) / Sale of Current Investments (net)	135.27	523.39
(Placement) / Redemption Fixed deposits (net)	(67.80)	(532.38)
Inter Corporate Loans and Deposits including FX (net)	(498.75)	(73.00)
<b>Net cash from / (used in) Investing Activities</b>	<b>(1321.84)</b>	<b>(408.41)</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2022

	Rs in Crores	
	2022	2021
<b>C. Cash Flow from Financing Activities</b>		
Proceeds/(Repayment) from Long term borrowings (net)	(493.00)	(69.16)
Proceeds from / (Repayment of) Short term borrowings (net)	(1.71)	11.82
Payment of Lease Liabilities	(52.78)	(45.06)
Dividend & Dividend Tax paid	(398.19)	(267.29)
Finance Cost paid	(62.51)	(65.41)
Refund of Dividend Distribution Tax paid in an earlier year	13.42	9.07
<b>Net Cash used in Financing Activities</b>	<b>(994.77)</b>	<b>(426.03)</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents(A+B+C)</b>	<b>(800.80)</b>	<b>821.93</b>
<b>D. Cash and Cash Equivalents</b>		
Opening balance of cash and cash equivalent	1773.18	889.34
Add: Cash and Cash equivalent of the acquired companies	0.90	44.08
Less: Cash and Cash equivalent on disposal of a subsidiary	-	(22.80)
Exchange Gain/ (Loss) on translation of foreign currency cash and cash equivalents	3.83	40.63
<b>Balances at the end of the year</b>	<b>977.11</b>	<b>1773.18</b>

	Rs in Crores	
	2022	2021
<b>Reconciliation with Balance Sheet</b>		
Cash and Cash Equivalents	977.11	1773.18
Add : Bank Overdraft	520.86	268.81
<b>Balances at the end of the year (Refer Note 13)</b>	<b>1497.97</b>	<b>2041.99</b>

The accompanying notes are an integral part of the Consolidated Financial Statements

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, May 4, 2022

For and on behalf of the Board

**N. Chandrasekaran**

Chairman  
(DIN00121863)

**Sunil D'Souza**

Managing Director & CEO  
(DIN 07194259)

**John Jacob**

Chief Financial Officer

**K P Krishnan**

Director  
(DIN 01099097)

**L. Krishna Kumar**

Executive Director  
(DIN 00423616)

**Neelabja Chakrabarty**

Company Secretary



# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## 1. GENERAL INFORMATION

Tata Consumer Products Limited ("the Parent Company") and its subsidiaries (together referred to as 'the Group') and the Group's associates and joint ventures are engaged in the trading, production and distribution of Consumer products mainly Tea, Coffee, Water, Salt, Pulses, Spices, Snacks, Ready-to-Eat packaged food products etc. collectively termed as branded business. The Group has branded business mainly in India, Europe, US, Canada and Australia. The non-branded plantation business is in India and tea and coffee extraction businesses are mainly in India, Vietnam and the US.

The Parent Company is a public limited company incorporated and domiciled in India and has its registered office at Kolkata, West Bengal, India. The Parent Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India.

The financial statements for the year ended March 31, 2022 were approved for issue by Company's Board of Directors on May 4, 2022.

## 2. PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENT

### 2.1 Basis of preparation and measurement

#### (a) Basis of preparation

The consolidated financial statements are prepared in accordance with and in compliance, in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read along with Companies (Indian Accounting Standards) Rules, as amended and other relevant provisions of the Act. The presentation of the Consolidated Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

#### (b) Basis of measurement

The consolidated financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the criteria of realisation/settlement within a twelve month period from the balance sheet date.

#### c) Basis of consolidation

The consolidated financial statements have been prepared on the following basis:

##### Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and ceases to be consolidated when the Group loses control of the subsidiary. Fully consolidated means recognition of like items of assets, liabilities, equity, income and expense. Thereafter the portion of net profit or loss and equity is segregated between the Group's share and share of non-controlling stake holders.

Inter-company transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

##### Investment in Associates and Joint Ventures

Associates include all entities where the Group has the power to exercise a significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint ventures. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities required unanimous consent of parties sharing control. Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

The Group's investment in associates and joint Ventures are accounted using the equity method. Goodwill relating to associate or a joint Venture is included in the carrying value of the investments and is not tested for impairment separately. Under equity method of accounting, the investments are initially recorded at cost and adjusted thereafter to recognise the Group's share of post-acquisition profit and loss, and the Group's share of other comprehensive income. Dividend received from associates and joint ventures are recognised as a reduction in the carrying amount of the investments. Unrealised gains on transactions between the Group and its associate and joint Ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods.

At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or a joint Venture is impaired. If there is such evidence, the carrying amount is tested for impairment by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount and impairment, if any, is recognised as 'Share of profit/(loss) in Associates and Joint Ventures' in the consolidated statement of profit and loss.

### 2.2 Significant Accounting Policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Business Combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary comprises of the,

- fair values of the assets transferred,
- incurred to the former owners of the acquired business
- equity interests issued by the Group, and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill, if the consideration is lower, the gain is recognised directly in equity as capital reserve. In case, business acquisition is classified as bargain purchase, the aforementioned gain is recognised in the other comprehensive income and accumulated in equity as capital reserve. The Group recognises any non-controlling interest in the acquired entity at fair value.

Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, with adjustments only to harmonise accounting policies.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss or other comprehensive income, as appropriate.

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts, and the recognition of newly identified asset and liabilities, must be made within the 'measurement period' where they reflect new information obtained about facts and circumstances that were in existence at the acquisition date. The measurement period cannot exceed one year from the acquisition date and no adjustments are permitted after one year except to correct an error.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the statement of profit and loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

### (b) Property, Plant and Equipment

- i) **Recognition and measurement:** Property, plant and equipment including bearer assets are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure directly attributable to the acquisition of the item. Subsequent expenditure related to an asset is added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amounts of replacements are derecognised. All repairs and maintenance are charged to the statement of profit and loss during the financial year in which they are incurred.
- ii) **Depreciation:** Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.
- iii) Cost incurred on assets under development are disclosed under capital work in progress and not depreciated till asset is ready to use.

The residual values and useful lives for depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or exchange.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised in the statement of profit and loss.

### iv) Estimated useful lives of items of property, plant and equipment are as follows:

Category	Useful life
Leasehold buildings / improvements	Lower of lease term or useful life
Buildings	28 to 60 years
Plant and Machinery	3 to 25 years
Furniture and Fixtures	5 to 16 years
Office Equipment	2 to 16 years
Motor vehicles	4 to 10 years

### (c) Biological Assets

Biological assets are classified as bearer biological assets and consumable biological assets. Consumable biological assets are those that are to be harvested as agricultural produce. Bearer biological assets which are held to bear agricultural produce are classified as Bearer plants. The Group recognises tea bushes, coffee bushes, pepper vines and shade trees as bearer assets, with further classification as mature bearer assets and immature bearer assets. Mature bearer plants are those that have attained harvestable stage.

Bearer assets are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure on bearer assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Cost incurred for new plantations and immature areas are capitalised. The cost of immature areas coming into bearing is transferred to mature plantations and depreciated over their estimated useful life which has been ascribed to be within the range of 30 – 65 years.

Tea, Coffee, Pepper and minor crops are designated as agricultural produce at the point of harvest and are measured at their fair value less cost to sell. Any changes in fair

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

value upto the point of harvest are recognised in the statement of profit and loss in the year in which they arise.

### (d) Investment Property

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group, are classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Investment properties are depreciated using the straight line method over the useful lives. Depreciable investment properties have been ascribed a useful life in the range of 60 years.

### (e) Intangible Assets

#### (i) Goodwill

Goodwill arising on a business combination represents the excess of the fair value of consideration over the identifiable net asset acquired. Fair value of consideration represents the aggregate of the consideration transferred, a reliable estimate of contingent consideration payable, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree on the acquisition date. Net assets acquired represents the fair value of the identifiable assets acquired and liabilities assumed.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Cash generating units (CGUs), or groups of CGUs, that is expected to benefit from the acquisition itself or from the synergies of the combination or both. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill is not amortised but is tested for

impairment. Goodwill impairment reviews are generally undertaken annually. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed unless the CGU is classified as "Asset held for sale" and there is evidence of reversal. Goodwill is subsequently measured at cost less amounts provided for impairment.

#### (ii) Brands and Trademarks

Brands/trademarks acquired separately are measured on initial recognition at the fair value of consideration paid. Following initial recognition, brands/trademarks are carried at cost less any accumulated amortisation and impairment losses if any. A brand/trademark acquired as part of a business combination is recognised outside goodwill, at fair value at the date of acquisition, if the asset is separable or arises from contractual or other legal rights and its fair value can be measured reliably.

The useful lives of brands/trademarks are assessed to be either finite or indefinite. The assessment includes whether the brand/trademark name will continue to trade and the expected lifetime of the brand/trademark. Amortisation is charged on assets with finite lives on a straight-line basis over a period appropriate to the asset's useful life. The carrying values of brands/trademarks with finite and indefinite lives are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Brands/trademark with indefinite useful lives are also tested for impairment annually either individually or, if the intangible asset does not generate cash flows that are largely independent of those from other assets or groups of assets, as part of the cash-generating unit to which it belongs. Such intangibles are not amortised. The useful life of a brand with an indefinite life



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Brands and trademarks having finite lives have been ascribed a useful life within a range of 3 – 35 years.

### (iii) Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The customer relationships have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the estimated useful life of the customer relationship. Customer intangibles have been ascribed a useful life within a range of 7 – 30 years.

### (iv) Distribution network

Distribution network acquired in a business combination are recognised at fair value at the acquisition date. The distribution networks have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the estimated useful life of the distribution network. Distribution networks have been ascribed a useful life within a range of 8 – 10 years.

### (v) Patent / knowhow

Product development cost incurred on new products having enduring benefits is recognised as an Intangible Asset and are amortised over a period of 10 years.

### (vi) Computer software / Website

Software development costs are expensed unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to develop and sell or use the software and the costs can be measured reliably. Directly attributable costs that are capitalised as part of the software product include the software

development cost, related employee costs and an appropriate portion of relevant overheads. Other expenditure that do not meet these criteria are recognised as an expense as and when incurred, costs previously recognised as an expense are not recognised as an asset in a subsequent period. The cost incurred for acquisition of website is capitalised. In case of internally generated website, the cost is capitalised only if the future economic benefits are expected to flow to the entity and if the asset can be controlled by entity as a result of past events.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which range between 3 to 8 years. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and put to use the specific software. These costs are amortised over their estimated useful lives of 3 to 7 years. Website costs are amortised over a period of 5 years.

### (vii) Research and Development

Research expenditure is recognised in the statement of profit and loss as and when incurred. Development expenditure is capitalised only if the costs can be reliably measured, future economic benefits are probable, the product is technically feasible and the Group has the intent and the resources to complete the project.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit.

During the period of development, the asset is tested for impairment annually.

### (f) Impairment of tangible and intangible assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest possible levels for which there are independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal of impairment losses at each reporting date. Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment.

### (g) Assets held for sale and disposal groups

Non-current assets held for sale and disposal groups are presented separately in the balance sheet when the following criteria are met:

- the Group is committed to selling the asset or disposal group;
- the assets are available for sale immediately;
- an active plan of sale has commenced; and
- sale is expected to be completed within twelve months.

Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

### (h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

##### Initial recognition and measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss is expensed in the Statement of Profit or Loss.

#### Subsequent measurement

##### Debt Instruments:

Subsequent measurement of debts instruments depends on the Group's business model for managing the assets and the cash flows of the assets. The Group classifies its financial assets in the following categories:

- i) **Financial assets at amortised cost-** Assets that are held for collection of contractual cash flows on specified dates where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables and loans.
- ii) **Financial assets at fair value through other comprehensive income (FVTOCI)** – Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represents solely payments of principal and interest, are on specified dates are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income from these financial assets is included in finance income using the effective interest rate method and impairment losses, if any are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.
- iii) **Financial assets at fair value through profit or loss (FVTPL)** - Financial assets which are not classified in any of the categories above are FVTPL.



# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## Equity Instruments

All equity investments are measured at fair values. The Group may irrevocably elect to measure the same either at FVOCI or FVTPL on initial recognition. The Group makes such election on an instrument-by-instrument basis. The fair value changes on the investment are recognised in OCI. The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss.

## Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

## Impairment of financial assets

Group assesses expected credit losses associated with its assets carried at amortised cost and FVOCI debt instrument based on Group's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109 – Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

## Financial liabilities

### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs.

### Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. For trade and other payable maturing within one year from the balance sheet date, the carrying value

approximates fair value due to short maturity of these instruments.

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

## Derivative financial instruments and hedging activities

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

- (a) hedges of the fair value of recognised assets or liabilities (fair value hedge); or
- (b) hedges of a particular risk associated with a firm commitment or a highly probable forecasted transaction (cash flow hedge);

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

Movements in the hedging reserve are accounted in other comprehensive income and are reported within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### (a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Group only applies fair value hedge accounting for hedging foreign exchange risk on recognised assets and liabilities.

### (b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss.

When a hedging instrument expires or is swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss in other equity remains there and is reclassified to statement of profit and loss when the forecasted cash flows affect profit or loss.

When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the statement of profit and loss.

### Fair value measurement

The Group classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.
- ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include

discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

- iii) Level 3 - The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

### Offsetting Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

### Interest and dividend income

Interest income is recognised within finance income using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

Dividend income is recognised when the right to receive payment is established. Incomes from investments are accounted on an accrual basis.

### (i) Inventories

Raw materials, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less all estimated cost of completion and selling expenses. Stores and spares are carried at cost. Provision is made for obsolete, slow-moving and defective stocks, where necessary.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

Cost is determined on weighted average method for all categories of inventories other than for auction/privately bought teas wherein cost is measured at actual cost of each lot. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, include appropriate overheads based on normal level of activity.

In accordance with Ind AS 41- Agriculture, inventories comprising agricultural produce that the Group has harvested from its biological assets are measured on initial recognition at their fair value less costs to sell at the point of harvest

### (j) Employee Benefits

The Group operates various post-employment schemes, including both defined benefit and defined contribution plans and post-employment medical plans. Short term employee benefits are recognised on an undiscounted basis whereas long term employee benefits are recognised on a discounted basis.

#### i) Post retirement employee benefits:

Contribution to post retirement defined benefit and contribution schemes like Provident Fund (PF), Superannuation Schemes and other such schemes are accounted for on accrual basis by the Group. With regard to PF contribution made by the Group to a Self-Administered Trust, the Group is generally liable for annual contributions and for any shortfall in the fund assets based on the government specified minimum rates of return. Such contributions and shortfalls are recognised as an expense in the year incurred.

Post retirement defined benefits including gratuity, pension and medical benefits for qualifying executives/whole time directors as provided by the Group are determined through independent actuarial valuation at year end and charge recognised in the statement of profit and loss. Interest costs on employee benefit schemes have been classified within finance cost. For schemes, where funds have been set up, annual contributions determined as payable in the

actuarial valuation report are contributed. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income, and subsequently not reclassified to the Statement of Profit and Loss.

The Group recognises in the statement of profit and loss, gains or losses on curtailment or settlement of a defined benefit plan as and when the curtailment or settlement occurs.

#### ii) Other employee benefits:

Other employee benefits are accounted for on accrual basis. Liabilities for compensated absences are determined based on independent actuarial valuation at year end and charge is recognised in the statement of profit and loss.

#### iii) Employee termination benefits:

Payments to employees on termination along with additional liabilities towards retirement benefits arising pursuant to the termination are charged to the statement of profit and loss in the year in which it is incurred.

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of "Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets" and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of the reporting period are discounted to their present value.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### (k) Share based payments

The Parent Company recognises compensation expense relating to share based payments in accordance with Ind AS 102 - Share-based Payment. For share entitlement granted by the Parent Company to its employees the estimated fair value as determined on the date of grant, is charged to the Statement of Profit and Loss on a straight line basis over the vesting period and assessment of performance conditions, if any, with a corresponding increase in equity.

### (l) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will

be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is possible.

### (m) Income Tax

#### i) Current Income Tax:

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Group operates.

#### ii) Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date. Current income tax and deferred tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries except for deferred income tax liabilities where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Only where there is an agreement in place that gives the Group the ability to control the reversal, the temporary difference is not recognised. Deferred tax assets are recognised on deductible temporary differences arising from investments in



# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

subsidiaries and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## (n) Foreign Currency and translations

### i) Functional and presentation currency

Items included in the consolidated financial statements of the Group's and its associates and joint ventures are measured using the currency of the primary economic environment in which each entity operates ("functional currency"). The consolidated financial statements are presented in Indian Rupees (INR), which is the functional currency of the Parent Company.

### ii) Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency of the Group are translated as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit and loss are translated at monthly exchange rates, and
- all resulting exchange differences are recognised in other comprehensive income.

On disposal of a foreign operation, the associated exchange differences are reclassified to the statement of profit and loss, as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

## (o) Revenue from contracts with customer

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset or when services are rendered.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

A refund liability is recognised for expected sale returns and corresponding assets are recognised for the products expected to be returned.

The Group recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Group expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customer.

## (p) Government Grant

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

be received and all attached conditions will be complied with. Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the related costs, which the grants are intended to compensate, are recognised as expenses. Government grants related to property, plant and equipment are presented at fair value and grants are recognised as deferred income.

### (q) Leases

#### As a lessee

At inception of a contract, the group assesses whether a contract is or contains a lease. A contract is, or contains a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

- the contract conveys the right to use an identified asset;
- the Group has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the identified asset.

At the date of commencement of a lease, the Group recognises a right-of-use asset ("ROU assets") and a corresponding lease liability for all leases, except for leases with a term of twelve months or less (short-term leases) and low value leases. For short-term and low value leases, the Group recognise the lease payments as an operating expense on a straight-line basis over the term of the lease. Group has considered all leases where the value of an underlying asset does not individually exceed Rs 0.05 Crores or equivalent as a lease of low value assets.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities.

Lease liability is measured by discounting the lease payments using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and restoration costs. These are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated on a straight-line basis over the asset's useful life (refer 2.2(b)) or the lease term whichever is shorter.

Impairment of ROU assets is in accordance with the Group's accounting policy for impairment of tangible and intangible assets.

#### As a lessor

Lease income from operating leases where the Group is a lessor is recognised in the statement of profit and loss on a straight-line basis over the lease term.

### (r) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Group incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale



# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

## (s) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. These are material items of income or expense that have to be shown separately due to their nature or incidence.

## (t) Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held and considering the effect of all dilutive potential ordinary shares.

## (u) Segment Reporting

Segments are identified based on the manner in which the Group's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets including goodwill.

## (v) Cash and Cash equivalents

Cash and cash equivalents for the purpose of presentation in the statement of cash flows comprises of cash at bank and in hand, bank overdraft and short term highly liquid investments/bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

## (w) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed, if material.

## 2.3 Key accounting judgement, estimates and assumptions

The preparation of the consolidated financial statements requires Group management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future period.

The areas involving critical estimates or judgements are:

### a) Goodwill and Intangibles

The Group records all intangible assets acquired including goodwill as part of a business combination at fair values. In relation to business combinations, judgement is required to be exercised on determining the fair values, identification and measurement of assets acquired and liabilities assumed, in allocation of purchase consideration, in deciding the amortisation policy and on tax treatment of Goodwill and intangible assets acquired. Judgement is also required to be exercised as regards the manner in which carrying amount of goodwill is likely to be recovered, for deferred tax accounting purposes. Appropriate independent professional advice is also obtained, as necessary. Goodwill has a useful life which is same as that of underlying cash generating unit. Intangible assets are

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

assigned either an indefinite or a finite useful life, depending on the nature and expected consumption. Goodwill and indefinite lived intangible assets are as a minimum, subjected to annual tests of impairment in line with the accounting policy whereas all other intangibles assets are amortised. (Refer Note 6).

### b) Depreciation and amortisation

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges. (Refer Note 3, 4, 5 and 6).

### c) Taxation

The Group is subject to taxes in numerous jurisdictions. Significant judgement is required in examining applicability and determining the provision required for taxes. (Refer Note 20).

### d) Employee Benefits

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that is used to determine the present value

of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds/Government securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions. (Refer Note 37)

### e) Carrying value of derivatives and other financial instruments

All financial instruments are required to be fair valued as at the balance sheet date, as provided in Ind AS 109 and Ind AS 113. Being a critical estimate, judgement is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc., as applicable. (Refer Note 36)

### f) Revenue recognition and marketing accrual

Generally in the International markets, products are often sold with sales related discounts, rebate, trade support etc. Sales are recorded based on the price specified in the sales contract, however simultaneously amount of sales promotions expenditure that would need to be incurred are also estimated and netted off from sales. Judgement is required to be exercised in determining the level of provisions that would need to be accrued. Accumulated experience is used for estimating and providing for such expenditure.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 3. PROPERTY, PLANT AND EQUIPMENT

	Rs. in Crores							
	Land	Bearer Assets	Buildings	Plant & Equipment	Furniture & Fixtures	Office Equipment	Motor Vehicles	Total Tangible Assets
<b>Cost</b>								
<b>As at April 1, 2020</b>	<b>63.90</b>	<b>15.21</b>	<b>341.27</b>	<b>1940.47</b>	<b>216.77</b>	<b>8.01</b>	<b>23.12</b>	<b>2608.75</b>
Acquisition through Business Combination	-	-	-	7.85	0.21	0.77	-	8.83
Additions	-	10.58	19.61	100.19	9.36	1.15	0.97	141.86
Disposal	(0.09)	-	(0.09)	(39.07)	(4.29)	(0.23)	(2.56)	(46.33)
Translation exchange difference	0.22	-	(0.84)	23.09	7.43	-	0.12	30.02
<b>As at March 31, 2021</b>	<b>64.03</b>	<b>25.79</b>	<b>359.95</b>	<b>2032.53</b>	<b>229.48</b>	<b>9.70</b>	<b>21.65</b>	<b>2743.13</b>
Acquisition through Business Combination	-	-	90.95	129.50	3.15	0.95	0.04	224.59
Additions	-	7.87	20.25	106.56	18.14	1.47	0.51	154.80
Disposal	(0.48)	-	(3.87)	(37.10)	(20.86)	(3.19)	(2.84)	(68.34)
Translation exchange difference	(0.03)	-	3.16	15.35	(0.90)	0.03	0.02	17.63
<b>As at March 31, 2022</b>	<b>63.52</b>	<b>33.66</b>	<b>470.44</b>	<b>2246.84</b>	<b>229.01</b>	<b>8.96</b>	<b>19.38</b>	<b>3071.81</b>
<b>Accumulated Depreciation</b>								
<b>As at April 1, 2020</b>	<b>-</b>	<b>0.66</b>	<b>133.39</b>	<b>1087.19</b>	<b>162.16</b>	<b>5.84</b>	<b>12.01</b>	<b>1401.25</b>
Depreciation for the year	-	0.76	13.54	87.18	11.95	0.99	1.74	116.16
Disposal	-	-	(0.09)	(30.31)	(3.95)	(0.21)	(1.12)	(35.68)
Translation exchange difference	-	-	(0.94)	33.22	6.46	(0.05)	0.04	38.73
<b>As at March 31, 2021</b>	<b>-</b>	<b>1.42</b>	<b>145.90</b>	<b>1177.28</b>	<b>176.62</b>	<b>6.57</b>	<b>12.67</b>	<b>1520.46</b>
Depreciation for the year	-	0.96	11.15	96.32	13.07	1.49	1.38	124.37
Disposal	-	-	(3.69)	(31.71)	(15.31)	(3.02)	(1.31)	(55.04)
Translation exchange difference	-	-	1.50	1.11	(0.95)	0.03	0.02	1.71
<b>As at March 31, 2022</b>	<b>-</b>	<b>2.38</b>	<b>154.86</b>	<b>1243.00</b>	<b>173.43</b>	<b>5.07</b>	<b>12.76</b>	<b>1591.50</b>
<b>Net Carrying Value</b>								
<b>As at March 31, 2021</b>	<b>64.03</b>	<b>24.37</b>	<b>214.05</b>	<b>855.25</b>	<b>52.86</b>	<b>3.13</b>	<b>8.98</b>	<b>1222.67</b>
<b>As at March 31, 2022</b>	<b>63.52</b>	<b>31.28</b>	<b>315.58</b>	<b>1003.84</b>	<b>55.58</b>	<b>3.89</b>	<b>6.62</b>	<b>1480.31</b>

Land includes leasehold land of Rs 2.02 Crores (Rs 2.02 Crores) belonging to the Parent Company and an Indian subsidiary. Buildings include Rs 5.90 Crores (Rs 5.90 Crores) represented by shares in Co-operative Housing Societies / a Company. Certain plantation land meant for usage as tea plantations and for ancillary activities has been leased by the Parent Company to its associate company Kanan Devan Hills Plantations Company Private Limited for a period of 30 years as part of the restructure in 2005, of its South India Plantation Operations. The additions to bearer assets represents capitalisation of coffee plants which have attained maturity during the year. Capital work-in-progress includes immature plants amounting to Rs 44.40 Crores (Rs 43.47 Crores).

#### Capital work-in-progress ageing schedule for the year ended March 31, 2022 and March 31, 2021:

	Amount in CWIP for a period of				Rs in Crores
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at March 31, 2022</b>					
Projects in progress	111.83	25.90	26.88	0.43	165.04
Bearer Plants in Progress	2.83	3.03	10.91	27.63	44.40
<b>Total</b>	<b>114.66</b>	<b>28.93</b>	<b>37.79</b>	<b>28.06</b>	<b>209.44</b>

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

	Amount in CWIP for a period of				Rs in Crores
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at March 31, 2021</b>					
Projects in progress	38.75	10.50	-	0.45	49.70
Bearer Plants in Progress	1.65	7.43	13.82	20.57	43.47
<b>Total</b>	<b>40.40</b>	<b>17.93</b>	<b>13.82</b>	<b>21.02</b>	<b>93.17</b>

#### 4. INVESTMENT PROPERTY

Investment properties of the Group comprises of land, commercial and residential property.

	Rs in Crores	
	2022	2021
<b>Cost</b>		
Opening Balance	37.07	55.04
Disposal	(17.48)	(17.97)
<b>Closing Balance</b>	<b>19.59</b>	<b>37.07</b>
<b>Accumulated Depreciation</b>		
Opening Balance	3.90	5.00
Depreciation for the year	0.61	0.89
Deductions / Adjustments	(2.23)	(1.99)
<b>Closing Balance</b>	<b>2.28</b>	<b>3.90</b>
<b>Net Carrying Value</b>	<b>17.31</b>	<b>33.17</b>

Amount recognised in the statement of profit and loss for investment property:

	Rs in Crores	
	2022	2021
Rental Income	2.42	3.81
Direct operating expenses	(0.51)	(0.60)
<b>Profit from investment property before depreciation</b>	<b>1.91</b>	<b>3.21</b>
Depreciation for the year	(0.61)	(0.89)
<b>Profit/(loss) from Investment Property</b>	<b>1.30</b>	<b>2.32</b>

#### Fair value:

Fair valuation of the Land is Rs 120 Crores and Buildings is Rs 15.70 Crores based on valuation (sales comparable approach – level 2) by recognised independent valuers.

#### Leasing arrangements:

For investment property leased to tenants under long term operating lease, the minimum lease payment receivable under non-cancellable operating leases are:

	Rs in Crores	
	2022	2021
Within one year	1.27	2.48
Later than one year but not later than five years	2.61	5.44



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 4A. INVESTMENT PROPERTY UNDER DEVELOPMENT

	Rs in Crores
<b>Cost</b>	<b>2022</b>
Opening Balance	-
Acquisition during the year	215.74
Adjustments	(0.96)
Closing Balance	<b>214.78</b>

#### Investment property under development - Ageing schedule and Expected completion:

	Rs in Crores				
Particulars	Amount in WIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects temporarily on hold	-	-	-	214.78	214.78

	Rs in Crores				
Particulars	To be completed in				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Yeshwantpur Project	-	-	-	214.78	214.78

The development is temporarily on hold as the Group is of the view that the approvals do not permit development to full potential. The Group is in the process of evaluating various options and obtaining necessary legal clarifications.

#### Fair value:

Fair value of land pertaining to Investment Property is Rs 228.30 Crores based on Valuation (sales comparable approach – level 2) by recognised independent valuers.

### 5. RIGHT TO USE ASSETS

	Rs in Crores					
	Land	Buildings	Plant and Machinery	Office Equipment	Motor Vehicles	Total Right of Use Assets
<b>Net Carrying Value</b>						
<b>As at April 1, 2020</b>	86.50	187.03	15.41	0.24	4.28	293.46
Acquisition through Business Combination	-	2.70	-	-	-	2.70
Additions	-	134.65	10.46	0.09	0.85	146.05
Disposal	-	(5.57)	(0.17)	-	(0.34)	(6.08)
Depreciation for the year	(2.14)	(43.33)	(4.08)	(0.16)	(1.88)	(51.59)
Translation exchange difference	(2.88)	4.48	-	-	0.27	1.87
<b>As at March 31, 2021</b>	<b>81.48</b>	<b>279.96</b>	<b>21.62</b>	<b>0.17</b>	<b>3.18</b>	<b>386.41</b>
Acquisition through Business Combination	22.00	-	-	-	-	22.00
Additions	-	26.56	9.55	-	3.12	39.23
Disposal	-	(14.34)	(0.12)	-	0.16	(14.30)
Depreciation for the year	(2.22)	(47.80)	(5.10)	(0.09)	(2.42)	(57.63)
Translation exchange difference	3.15	(0.39)	-	-	(0.03)	2.73
<b>As at March 31, 2022</b>	<b>104.41</b>	<b>243.99</b>	<b>25.95</b>	<b>0.08</b>	<b>4.01</b>	<b>378.44</b>

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 6. GOODWILL AND OTHER INTANGIBLE ASSETS

	Rs in Crores						
	Goodwill	Brands / Trademarks	Customer Intangibles	Patent / Knowhow	Capitalised Software / Website	Distribution Network	Total Other Intangible Assets
<b>Cost</b>							
<b>As at April 1, 2020</b>	7912.33	2635.76	121.06	17.64	205.83	270.46	<b>3250.75</b>
Acquisition through Business Combination	174.10	145.70	-	-	0.01	-	145.71
Additions	-	16.00	-	-	33.29	-	49.29
Disposal	(226.29)	(11.75)	(117.54)	-	(0.88)	-	(130.17)
Translation exchange difference	155.06	(6.86)	(3.52)	-	4.90	-	(5.48)
<b>As at March 31, 2021</b>	<b>8015.20</b>	<b>2778.85</b>	<b>-</b>	<b>17.64</b>	<b>243.15</b>	<b>270.46</b>	<b>3310.10</b>
Acquisition through Business Combination	107.34	-	-	20.40	1.02	-	21.42
Additions	-	-	-	-	40.30	-	40.30
Disposal	-	-	-	-	(20.88)	-	(20.88)
Translation exchange difference	58.19	9.97	-	-	0.23	-	10.20
<b>As at March 31, 2022</b>	<b>8180.73</b>	<b>2788.82</b>	<b>-</b>	<b>38.04</b>	<b>263.82</b>	<b>270.46</b>	<b>3361.14</b>
<b>Accumulated Amortisation / Impairment</b>							
<b>As at April 1, 2020</b>	578.50	231.24	28.25	16.52	169.72	33.81	<b>479.54</b>
Amortisation for the year	-	29.17	7.93	0.58	14.61	33.81	86.10
Disposal	(179.19)	(5.46)	(35.27)	-	(0.65)	-	(41.38)
Impairment	-	-	-	-	-	-	-
Translation exchange difference	19.32	(1.62)	(0.91)	-	4.06	-	1.53
<b>As at March 31, 2021</b>	<b>418.63</b>	<b>253.33</b>	<b>-</b>	<b>17.10</b>	<b>187.74</b>	<b>67.62</b>	<b>525.79</b>
Amortisation for the year	-	37.81	-	1.22	22.56	33.81	95.40
Disposal	-	-	-	-	(20.36)	-	(20.36)
Impairment	-	-	-	-	-	-	-
Translation exchange difference	7.99	6.33	-	-	(0.41)	(0.01)	5.91
<b>As at March 31, 2022</b>	<b>426.62</b>	<b>297.47</b>	<b>-</b>	<b>18.32</b>	<b>189.53</b>	<b>101.42</b>	<b>606.74</b>
<b>Net Carrying Value</b>							
As at March 31, 2021	<b>7596.57</b>	<b>2525.52</b>	<b>-</b>	<b>0.54</b>	<b>55.41</b>	<b>202.84</b>	<b>2784.31</b>
<b>As at March 31, 2022</b>	<b>7754.11</b>	<b>2491.35</b>	<b>-</b>	<b>19.72</b>	<b>74.29</b>	<b>169.04</b>	<b>2754.40</b>

Brands/ Trademarks include an amount of Rs 2093.33 Crores which has been categorised as brand with indefinite life and will be annually tested for impairment. Based on analysis of all relevant factors such as market share, stability, potential obsolescence, profitability etc, the brand is expected to provide cash inflows to the Group over an indefinite period.

Intangible assets under development ageing schedule for the year ended March 31, 2022 and March 31, 2021 :

	Rs in Crores				
Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
<b>Projects in progress</b>					
<b>As at March 31, 2022</b>	<b>37.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37.53</b>
As at March 31, 2021	6.48	13.20	-	-	19.68



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### Impairment of Goodwill and intangible assets

Management reviews the carrying value of goodwill and indefinite life intangibles annually to determine whether there has been any impairment. This involves making an assessment of the value of goodwill for each cash generating unit (CGU) and comparing it to the carrying value. If the assessed value is lower than the carrying value, then an impairment charge is recognised to reduce the carrying value to this amount. Management reviews the business performance based on the geography and type of business.

The following is a summary of the goodwill allocation to each CGU as mentioned above:

Rs in Crores						
2022	Opening	Addition	Disposal	Impairment	Foreign exchange	Closing
<b>Branded Business</b>						
<b>India Business</b>	3752.61	107.34	-	-	-	3859.95
<b>International Business</b>						
UK & Europe	1756.44	-	-	-	(25.84)	1730.60
US	1341.76	-	-	-	49.25	1391.01
Canada	657.96	-	-	-	26.79	684.75
	<b>3756.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50.20</b>	<b>3806.36</b>
<b>Non Branded Business</b>	<b>87.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87.80</b>
<b>Total Group</b>	<b>7596.57</b>	<b>107.34</b>	<b>-</b>	<b>-</b>	<b>50.20</b>	<b>7754.11</b>

Rs in Crores						
2021	Opening	Addition	Disposal	Impairment	Foreign exchange	Closing
<b>Branded Business</b>						
<b>India Business</b>	3578.51	174.10	-	-	-	3752.61
<b>International Business</b>						
UK & Europe	1629.00	-	-	-	127.44	1756.44
US	1437.17	-	(47.10)	-	(48.31)	1341.76
Canada	601.35	-	-	-	56.61	657.96
	<b>3667.52</b>	<b>-</b>	<b>(47.10)</b>	<b>-</b>	<b>135.74</b>	<b>3756.16</b>
<b>Non Branded Business</b>	<b>87.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87.80</b>
<b>Total Group</b>	<b>7333.83</b>	<b>174.10</b>	<b>(47.10)</b>	<b>-</b>	<b>135.74</b>	<b>7596.57</b>

The Group has identified branded business within each country as its CGU for the purpose of allocation and monitoring of goodwill and other assets. Commencing from this year, branded business within India is treated as a single CGU taking into account way the business is managed and the operating structures, and as independent cash inflows are generated at the country level.

Value in use i.e. the enterprise value for each CGU is calculated using cash flow projections over a period of 3 - 5 years, with amounts based on medium term strategic plans. Variations to strategic plan are incorporated in the calculations based on past experience. Cash flows beyond the 3 - 5 year period are extrapolated using a long term growth rate.

Key assumptions in the business plans include future revenue, associated future levels of marketing support and other relevant costs. These assumptions are based on historical trends and future market expectations specific to each CGU and the markets and geographies in which they operate.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

Other key assumptions applied in determining value in use are:

- Long term growth rate – Cash flows beyond the 3 - 5 year period are extrapolated using the estimated long-term growth rate applicable for the geographies in which the CGUs operate.
- Discount rate – The discount rate is based on a Weighted Average Cost of Capital (WACC) for comparable companies operating in similar markets and geographies adjusted for country specific risk affecting where each CGU operates.

The long term growth rates and discount rates applied in the value in use calculations as at March 31, 2022 are given below:

	Pre-tax discount rate	Long-term growth rate
UK & Europe	8.10%	2.80%
US	7.60% - 12.75%	2.00% - 4.00%
Canada	7.63%	3.70%
India	13.79%	6.00%

These cash generating units are engaged in trading, manufacturing and sale of a portfolio of products catering to every day consumption needs, and generally have strong market position and growth potential.

### Impairment charge

Based on an assessment carried out, there is no impairment charge in the current year.

### Sensitivity Analysis

We have performed sensitivity analysis around the base assumptions and have concluded that no reasonable possible changes in key assumptions based on current recent trends would cause the recoverable amount of the CGUs to be less than the carrying value.

## 7. INVESTMENTS

		Rs in Crores	
		2022	2021
<b>Non-current Investments</b>			
Quoted Equity Instruments	a	19.92	15.22
Unquoted Equity Instruments	b	139.29	140.27
Unquoted Preference Shares	c	205.73	119.97
Unquoted Debentures	d	-	-
Unquoted Government Securities	d	-	-
		<b>364.94</b>	<b>275.46</b>
<b>Current Investments</b>			
Mutual Funds - Unquoted (Carried at Fair value through Profit or Loss)		198.03	323.16
		<b>198.03</b>	<b>323.16</b>
<b>Total Investments</b>		<b>562.97</b>	<b>598.62</b>

Quoted investments are carried in the financial statements at market value.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

Details of investments are as follows:

### a) Quoted Equity Instruments

Carried at fair value through Other Comprehensive Income

Carried at fair value through Other Comprehensive Income:

	Face Value	Nos.		Rs. in Crores	
		2022	2021	2022	2021
Tata Chemicals Ltd.	Rs. 10	150	150	0.01	0.01
Tata Investment Corporation Ltd.	Rs. 10	146872	146872	19.91	15.21
SBI Home Finance Ltd. (Under liquidation)^	Rs. 10	100000	100000	-	-
				<b>19.92</b>	<b>15.22</b>

^ Investment is fully impaired.

### b) Unquoted Equity Instruments

Carried at fair value through other comprehensive income

	Face Value	Nos.		Rs in Crores	
		2022	2021	2022	2021
Tata Sons Private Ltd.*	Rs. 1000	1755	1755	9.75	9.75
Tata Capital Ltd.	Rs. 10	613598	613598	3.07	3.07
Tata Services Ltd.	Rs. 1000	475	475	0.05	0.05
Tata Industries Ltd.*	Rs. 100	6519441	6519441	115.82	115.82
Taj Air Ltd.	Rs. 10	22200000	22200000	6.39	6.29
Southern Scribe Instruments Pvt Ltd#	Rs. 100	7280	7280	0.07	0.07
Armstrong Power Private Ltd#	Rs. 100	1100	-	0.01	-
K.T.V Oil Mills Private Ltd#	Rs. 100	1450	1450	0.01	0.01
Mytrah Vayu (Manjira) Private Ltd#	Rs. 10	-	162500	-	0.16
Coorg Orange Growers Co-Operative Society Ltd.^	Rs. 100	4	-	-	-
Tata Coffee Co-operative Stores Ltd^	Rs. 5	20	-	-	-
Coorg Cardamom Co-operative Marketing Society Ltd^	Rs. 100	1	-	-	-
ABC Tea Workers Welfare Services	Rs. 10	20000	20000	0.02	0.02
Assam Hospitals Ltd	Rs. 10	200000	200000	2.80	3.90
GNRC Ltd	Rs. 10	50000	50000	0.25	0.14
IFCI Venture Capital Funds Ltd	Rs. 10	250000	250000	1.05	0.99
The Annamallais Ropeways Company Ltd.^	Rs. 10	2092	2092	-	-
The Valparai Co-operative Wholesale Stores Ltd.^	Rs. 10	350	350	-	-
Suryakiran Apartment Services Private Ltd.\$	Rs. 10	2146	2146	0.00	0.00
Jalpaiguri Club Ltd. (Cost Re 1)\$	Rs. 10	60	60	0.00	0.00
Ritspin Synthetics Ltd. ^	Rs. 10	100000	100000	-	-
Coorg Orange Growers Co-operative Society Ltd\$	Rs. 100	4	4	0.00	0.00
Tata Coffee Co-operative Stores Ltd.\$	Rs. 5	20	20	0.00	0.00
Coorg Cardamom Co-operative Marketing Society Ltd.	Rs. 100	1	1	-	-
TEASERVE\$ (The Tamil Nadu Tea Manufacturers' Service Industrial Co-Op Society Ltd)	Rs. 5000	1	1	-	-
Woodlands Hospital & Medical Res. Centre Ltd.\$	Rs. 10	-	12280	-	-
				<b>139.29</b>	<b>140.27</b>

\$ Investment carrying values are below Rs 0.01 Crores.

^ Investments are fully impaired.

# relating to power purchase agreement entered into by an Indian subsidiary.

\* Costs of these unquoted equity instruments have been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### c) Unquoted Preference Shares

	Face Value	Nos.		Rs. in Crores	
		2022	2021	2022	2021
<b>Investment in Associates</b>					
Amalgamated Plantations Pvt Ltd.	Rs. 10	217000000	67000000	205.73	53.22
TRIL Constructions Ltd.	Rs. 10	-	66751852	-	66.75
<b>Other</b>					
Thakurbari Club Ltd (Cost Re 1) \$	Rs. 100	26	26	0.00	0.00
				<b>205.73</b>	<b>119.97</b>

\$ Investment carrying values are below Rs 0.01 Crores.

Investment in preference shares of Amalgamated Plantations Pvt. Ltd. : Preference shares subscribed in an earlier year of Rs 46.40 Crores [67000000 shares of Rs 10 each] is redeemable with a special redemption premium, on fulfilment of certain conditions, within 15 - 17 years from the date of the issue and are designated as fair value through profit and loss. Preference shares subscribed to in the financial year 2021-22 of Rs 159.33 Crores [150000000 shares of Rs 10 each] are optionally convertible, cumulative and redeemable carrying an annual coupon rate of 6% with special redemption premium issued for a period of 10 years and are also designated as fair value through profit and loss.

### d) Unquoted Debentures and Government Securities

Carried at fair value through other comprehensive income

	Face Value	Nos.		Rs. in Crores	
		2022	2021	2022	2021
<b>Unquoted Debentures</b>					
The Bengal Chamber of Commerce & Industry - 6 1/2% Debentures \$	Rs. 1000	7	7	-	-
Shillong Club Ltd - 5% Debentures - (Cost Rs 2) \$	Rs. 100	31	31	-	-
				-	-
<b>Unquoted Government Securities:</b>					
W.B. Estates Acquisition Compensation Bond \$		-	-	-	-
		-	-	-	-

\$ Investment carrying values are below Rs 0.01 Crores.

## 8. LOANS

	Rs in Crores	
	2022	2021
<b>Non-Current Loans</b>		
Inter Corporate Loans	-	4.25
Inter Corporate Loans to related party	13.00	16.50
Employee Loans and Advances	1.01	1.12
	<b>14.01</b>	<b>21.87</b>
<b>Current Loans</b>		
Inter Corporate Loans	114.40	109.14
Inter Corporate Deposit*	469.75	-
Inter Corporate Loans to related parties	73.50	73.50
Employee Loans and Advances	2.29	2.48
	<b>659.94</b>	<b>185.12</b>
<b>Total Loans</b>	<b>673.95</b>	<b>206.99</b>

\* Inter-corporate deposits outstanding with financial institutions.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### Sub-classification of Loans

	Rs in Crores	
	2022	2021
<b>Non-Current Loans</b>		
Loan Receivables considered good - Secured	13.00	20.75
Loan Receivables considered good - Unsecured	1.01	1.12
	<b>14.01</b>	<b>21.87</b>
<b>Current Loans</b>		
Loan Receivables considered good - Secured	111.06	106.05
Loan Receivables considered good - Unsecured	548.88	79.07
	<b>659.94</b>	<b>185.12</b>
<b>Total Loans</b>	<b>673.95</b>	<b>206.99</b>

### Non-Current loans

Inter Corporate loans amounting to Nil (Rs. 4.25 Crores) is backed by mortgage over land, and Inter Corporate Loans to a related party amounting to Rs 13.00 Crores (Rs 16.50 Crores) is secured by way of mortgage of rights on immovable assets.

### Current loans

Inter Corporate Loans – (a) amounting to Rs 106.31 Crores (Rs. 102.55 Crores) is secured by way of pledge of shares of the borrower and by a corporate guarantee, (b) amounting to Rs.3.50 Crores (Rs 3.50 Crores) is given to a related party and is secured by way of mortgage of rights on immovable assets, (c) amounting to Rs 1.25 Crores (Nil) is backed by mortgage over land.

## 9. OTHER FINANCIAL ASSETS

	Rs in Crores	
	2022	2021
<b>Non-Current</b>		
<b>(unsecured and considered good unless otherwise stated)</b>		
Security Deposit	29.76	27.75
Other Receivables	-	40.01
Lease Receivables	5.93	7.16
	<b>35.69</b>	<b>74.92</b>
<b>Current</b>		
<b>(unsecured and considered good unless otherwise stated)</b>		
Interest Accrued	62.34	52.48
Export and Other Incentive Receivable	14.11	14.97
Deposits	11.02	5.40
Lease Receivables	1.14	1.04
Derivative Financials Assets / Margin on Contracts		
Currency Hedges	4.36	5.28
Commodity Hedges	46.69	19.20
Others	44.64	17.98
	<b>184.30</b>	<b>116.35</b>
<b>Total Other Financial Assets</b>	<b>219.99</b>	<b>191.27</b>

Non-current security deposits includes doubtful deposits which are fully provided - Rs 0.33 Crores (Rs 0.33 Crores).

Current deposits include doubtful balances which are fully provided - Rs 0.38 Crores (Rs 0.38 Crores). Others include receivable from related parties – Rs 2.55 Crores (Rs 2.37 Crores). Interest accrued includes due from related party – Rs 0.55 Crores (Rs 1.32 Crores).

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 10. OTHER ASSETS

	Rs in Crores	
	2022	2021
<b>Non-Current Assets</b>		
(unsecured and considered good unless otherwise stated)		
Property rights pending development	-	70.50
Capital Advance	5.41	6.28
Pension Surplus	224.41	206.43
Taxes Receivables	49.01	15.50
Others	23.43	12.68
	<b>302.26</b>	<b>311.39</b>
<b>Current Assets</b>		
(unsecured and considered good unless otherwise stated)		
Prepaid Expenses	77.72	62.86
Taxes Receivables	232.99	207.36
Other Trade Advance	79.82	67.05
	<b>390.53</b>	<b>337.27</b>
<b>Total Other Assets</b>	<b>692.79</b>	<b>648.66</b>

Other trade advance includes doubtful advances which are fully provided – Rs 1.19 Crores (Rs 1.19 Crores). Other trade advance include advance paid to related parties – Rs 22.55 Crores (Rs 16.29 Crores).

### 11. INVENTORIES

	Rs in Crores	
	2022	2021
<b>(At lower of cost and net realisable value)</b>		
Raw Material	1243.43	1278.50
Finished Goods	629.56	648.40
Stock in Trade	286.85	227.53
Work in Progress	48.27	48.29
Stores and Spare Parts	58.40	46.44
<b>Total Inventories</b>	<b>2266.51</b>	<b>2249.16</b>

Raw material includes in-transit inventory of Rs. 30.09 Crores (Rs. 22.61 Crores) and Stock in Trade includes in-transit inventory of Rs. 3.64 Crores (Nil). During the year ended March 31, 2022 – Rs 38.49 Crores (Rs 29.70 Crores) was charged to the statement of profit and loss for slow moving and obsolete inventories.

### 12. TRADE RECEIVABLES

	Rs in Crores	
	2022	2021
Trade Receivables considered good - Secured	13.80	32.42
Trade Receivables considered good - Unsecured	821.35	728.90
Trade Receivables - Credit Impaired	<b>39.18</b>	<b>37.95</b>
	874.33	799.27
Less : Allowance for Credit Impairment	(39.18)	(37.95)
<b>Total Trade Receivables</b>	<b>835.15</b>	<b>761.32</b>

Secured receivables are backed by security deposits. Trade receivables considered good – Unsecured includes receivables amounting to Rs 101.86 Crores (Rs 3.98 Crores) due from a related party.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### Ageing for trade receivables:

							Rs. in Crores
Particulars	Not Due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
Undisputed Trade receivables considered good- Unsecured	591.56	196.77	17.85	18.21	0.05	0.12	824.56
Undisputed Trade receivables considered good- Secured	5.24	4.95	-	0.05	0.35	-	10.59
Undisputed Trade Receivables – credit impaired	-	1.39	2.43	19.09	1.57	3.89	28.37
Disputed Trade Receivables – credit impaired	-	-	-	10.81	-	-	10.81
	596.80	203.11	20.28	48.16	1.97	4.01	874.33
Less: Allowance for credit loss							(39.18)
Total Trade Receivables							835.15
As at March 31, 2021							
Undisputed Trade receivables considered good- Unsecured	473.35	226.27	20.77	5.18	0.46	0.33	726.36
Undisputed Trade receivables considered good- Secured	17.50	17.36	0.10	-	-	-	34.96
Undisputed Trade Receivables – credit impaired	-	3.01	19.27	1.53	2.67	0.66	27.14
Disputed Trade Receivables – credit impaired	-	-	10.81	-	-	-	10.81
	490.85	246.64	50.95	6.71	3.13	0.99	799.27
Less: Allowance for credit loss							(37.95)
Total Trade Receivables							761.32

### 13. CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES

	Rs in Crores	
	2022	2021
<b>Cash and Cash Equivalents</b>		
Balances with Bank		
Current Account	636.17	536.63
Deposit Account	861.79	1505.24
Cash/Cheques in hand	0.01	0.12
	<b>1497.97</b>	<b>2041.99</b>
<b>Other Bank Balances</b>		
Deposit Account	1088.71	1020.91
Unclaimed Dividend Account	13.21	11.98
	<b>1101.92</b>	<b>1032.89</b>
	<b>2599.89</b>	<b>3074.88</b>

Balances in current accounts mainly pertain to the International markets and are interest bearing.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 14. EQUITY SHARE CAPITAL AND OTHER EQUITY

#### (a) Equity Share Capital

	Rs. in Crores	
	2022	2021
<b>AUTHORISED</b>		
1250000000 (1250000000) Equity Shares of Re 1 each	125.00	125.00
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
921551715 (921551715) Equity Shares of Re 1 each, fully paid-up	92.16	92.16
	<b>92.16</b>	<b>92.16</b>

#### i) Reconciliation of the number of shares as at March 31, 2022:

	2022	2021
Number of shares as at the beginning and end of the year	921551715	921551715
Number of shares as at the end of the year	<b>921551715</b>	<b>921551715</b>

#### ii) Rights, preferences and restrictions of equity shares:

The Parent Company has one class of equity shares having a par value of Re 1 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to their shareholding.

#### iii) Equity shares allotted as fully paid-up (during 5 year preceding March 31, 2022) pursuant to contracts without payment being received in cash:

290421986 equity shares were issued during the financial year 2019-20, consequent to and as part of the merger of Food business of Tata Chemicals Limited with the Parent Company.

#### iv) The details of shareholders holding more than 5% shares:

	2022	2021
Name of shareholder	No. of shares % of holding	No. of shares % of holding
Tata Sons Private Limited	270557128 29.36%	270557128 29.36%

#### v) Shares held by promoters at the end of the year:

Promoter name	No of Shares	% of total shares	% change during the year
Tata Sons Private Limited			
As at March 31, 2022	270557128	29.36%	-
As at March 31, 2021	270557128	29.36%	-

#### vi) Dividend paid:

	2022	2021
Dividend Paid (Rs. in Crores)	373.23	248.82
Dividend per share (Rs.)	4.05	2.70

The Board of Directors in its meeting held on May 4, 2022 has recommended a final dividend payment of Rs 6.05 per share for the financial year ended March 31, 2022.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### b) Other Equity

	Rs. in Crores	
	2022	2021
Capital Reserve	15.79	15.79
Securities Premium	6430.87	6430.87
Capital Redemption Reserve	0.10	0.10
Contingency Reserve	1.00	1.00
Amalgamation Reserves	8.33	8.33
Share Based Payment Reserve	0.46	-
Revaluation Reserve	21.86	21.86
General Reserve	1184.69	1175.48
Retained Earnings	6972.49	6,396.35
Other Comprehensive Income		
- Effective portion of Cash Flow Hedge	15.88	5.72
- Fair value gains/(loss) on Equity Instruments	0.11	(2.29)
- Foreign Currency Translation Reserve	398.20	389.14
<b>Total Other Equity</b>	<b>15049.78</b>	<b>14442.35</b>

#### Nature and purpose of reserves:

##### i) Capital Reserve

Capital Reserve was created consequent to the acquisition of certain plantation businesses.

##### ii) Securities Premium

Securities premium reserve had been created consequent to issue of shares at a premium. These reserves can be utilised in accordance with Section 52 of Companies Act 2013.

##### iii) Contingency Reserve

Contingency Reserve is in the nature of free reserves.

##### iv) Amalgamation Reserves

Amalgamation reserve was created pursuant to the scheme of amalgamation of Asian Coffee Ltd., Coffee Land Ltd., SIFCO Ltd and Tata Coffee Ltd.

##### v) Share based Payment Reserve

Share-based payments reserve represents amount of fair value, as on the date of grant, of unvested and vested shares not exercised till date, that have been recognised as expense in the statement of profit and loss till date

##### vi) Revaluation Reserve

Revaluation Reserve was created on acquisition of shares of an Indian subsidiary.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 15. BORROWINGS

(Secured unless otherwise stated)

	Rs in Crores	
	2022	2021
<b>Non Current</b>		
Loan From Banks		
Term Loan	298.15	773.58
	<b>298.15</b>	<b>773.58</b>
Less : Maturing within the next 12 months	(56.28)	(486.04)
<b>Total Non current Borrowings</b>	<b>241.87</b>	<b>287.54</b>
<b>Current</b>		
Loan from Banks		
Current Maturities of Long Term Borrowings	56.28	486.04
Bank Overdraft	520.86	268.81
Working Capital Facilities	-	73.00
Working Capital Facilities - Unsecured	191.58	91.25
<b>Total Current Borrowings</b>	<b>768.72</b>	<b>919.10</b>
<b>Total Borrowings</b>	<b>1010.59</b>	<b>1206.64</b>

Note: Change in liabilities is on account of financing activities which have been disclosed in the Statement of Cash Flow.

The liabilities as at the year-end are also impacted by the translation of overseas financial statements for consolidation purposes.

#### Non-Current Borrowings

##### Term Loan

Debt amounting to Rs 298.15 Crores (Rs 341.32 Crores) is repayable over a period of 8 years in half yearly instalments commencing from financial year 2020-21, interest being charged at the Libor plus a margin. The borrowing is secured by a charge over the plant and machinery of an overseas subsidiary and guarantee given by its immediate parent. The agreement requires compliance with various financial covenants, including restrictions on capital expenditures, additional indebtedness, acquisitions, distributions to shareholders and network.

Debt amounting to Nil (Rs 432.26 Crores) was repayable within March 28, 2022, has been fully repaid during the year. The borrowing was secured over all assets of an overseas subsidiary, interest being charged at the Libor plus a margin. The agreement required compliance with various financial covenants, including restrictions on capital expenditures, additional indebtedness, acquisitions and distributions to stockholders.

#### Current Borrowings

##### Bank Overdraft

Bank overdrafts of Rs 520.86 Crores (Rs 268.81 Crores) are part of a Group's cash-pooling arrangement, interest charged at a margin over I.C.E. benchmark administration settlement rate, with corresponding offsetting balances under cash and cash equivalent (Refer Note 13).

##### Working Capital Facilities

Working capital facilities of Nil (Rs 73.00 Crores) are repayable on demand and secured by way of hypothecation of inventories and book debts, Further a part of the working capital facilities of an Indian subsidiary is also secured by hypothecation of coffee crop and deposit of title deeds of a coffee estate and the working capital of an overseas subsidiary is also secured by a guarantee given by its immediate parent.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 16. OTHER FINANCIAL LIABILITIES

	Rs in Crores	
	2022	2021
<b>Non-Current</b>		
Contingent consideration payable	76.91	76.20
Others	16.23	4.04
	<b>93.14</b>	<b>80.24</b>
<b>Current</b>		
Security Deposits from Customers	1.64	5.07
Unpaid Dividends	13.21	11.98
Interest Accrued but not due	-	0.03
Derivative Financial Liabilities		
Currency Hedges	20.58	4.85
Commodity Hedges	-	3.86
Interest rate swap	4.51	20.26
Other Payables	171.84	204.14
	<b>211.78</b>	<b>250.19</b>
<b>Total Financial Liabilities</b>	<b>304.92</b>	<b>330.43</b>

There are no amounts due to and outstanding to be credited to the Investor Education and Protection Fund.

### 17. PROVISIONS

	Rs in Crores	
	2022	2021
<b>Non-Current</b>		
Employee Benefits	175.59	192.46
	<b>175.59</b>	<b>192.46</b>
<b>Current</b>		
Employee Benefits	40.93	45.32
Other Provisions	32.28	56.39
	<b>73.21</b>	<b>101.71</b>
<b>Total Provisions</b>	<b>248.80</b>	<b>294.17</b>

#### Movement of Other Provisions – Current:

	Rs in Crores	
	2022	2021
<b>Business Restructuring and Reorganisation Cost</b>		
Opening Balance	54.65	38.29
Provision made during the year	7.81	27.71
Amount paid / adjusted during the year	(31.95)	(11.53)
Translation exchange difference	0.03	0.18
<b>Closing Balance</b>	<b>30.54</b>	<b>54.65</b>
<b>Provisions for Trade Obligation</b>		
Opening Balance	1.74	1.74
<b>Closing Balance</b>	<b>1.74</b>	<b>1.74</b>
<b>Total Closing Balance</b>	<b>32.28</b>	<b>56.39</b>

# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## 18. TRADE PAYABLES

	Rs in Crores	
	2022	2021
Trade Payables	1863.94	1580.20
Trade Payables to related parties	51.91	45.27
<b>Total Trade Payables</b>	<b>1915.85</b>	<b>1625.47</b>

### Aging of Trade Payables:

	Rs in Crores					
Particulars	Outstanding for following periods from due date of payment					Total
	Not Overdue	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
<b>As at March 31, 2022</b>						
Others	819.68	1,058.31	20.62	3.89	6.51	1909.01
Disputed Dues	-	-	-	-	6.84	6.84
	<b>819.68</b>	<b>1058.31</b>	<b>20.62</b>	<b>3.89</b>	<b>13.35</b>	<b>1915.85</b>
<b>As at March 31, 2021</b>						
Others	880.08	723.39	8.59	3.59	2.98	1618.63
Disputed Dues	-	-	-	-	6.84	6.84
	<b>880.08</b>	<b>723.39</b>	<b>8.59</b>	<b>3.59</b>	<b>9.82</b>	<b>1625.47</b>

## 19. OTHER CURRENT LIABILITIES

	Rs in Crores	
	2022	2021
Statutory Liabilities	32.62	25.94
Advance from Customers	44.18	40.94
Others	55.35	69.21
<b>Total Other Current Liabilities</b>	<b>132.15</b>	<b>136.09</b>

## 20. TAXATION

### (a) Tax charge in the statement of profit and loss

	Rs in Crores	
	2022	2021
<b>Current tax</b>		
Current year	226.29	105.01
Adjustment relating to earlier years	(6.05)	(6.85)
	<b>220.24</b>	<b>98.16</b>
<b>Deferred tax charge / (credit)</b>	<b>156.80</b>	<b>219.11</b>
<b>Income tax expenses for the year</b>	<b>377.04</b>	<b>317.27</b>



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### b) Reconciliation of tax expense and tax based on accounting profit:

	Rs. in Crores	
	2022	2021
<b>Profit before tax</b>	<b>1455.99</b>	<b>1311.06</b>
Tax at Indian tax rate of 25.17% (PY - 25.17%)	366.44	329.97
<b>Effects of:</b>		
Difference in tax rate	(6.06)	0.14
Impact of change in UK tax rate change	6.45	-
Non-deductible tax expenses	7.61	10.29
Income exempt from income taxes	(11.97)	(25.14)
Non-creditable taxes	12.21	6.26
Tax reversals of previous years including deferred tax	(6.05)	(6.85)
Losses for which no deferred tax asset is recognised	18.28	16.71
Recognition of tax effect of previously unrecognised tax losses	(10.24)	(14.95)
Others	0.37	0.84
	<b>377.04</b>	<b>317.27</b>

### (c) Income tax assets / (liabilities)

	Rs in Crores	
	2022	2021
<b>Non-Current tax assets</b>		
Income Tax	121.12	108.34
Dividend Distribution Tax Credit	20.54	33.96
	<b>141.66</b>	<b>142.30</b>
<b>Current tax assets</b>		
Income Tax	1.33	1.37
	<b>1.33</b>	<b>1.37</b>
<b>Total Tax Assets</b>	<b>142.99</b>	<b>143.67</b>
<b>Non-Current tax liabilities</b>		
Income Tax	13.49	14.87
	<b>13.49</b>	<b>14.87</b>
<b>Current tax liabilities (Net)</b>		
Income Tax	20.40	24.09
	<b>20.40</b>	<b>24.09</b>
<b>Total Tax Liabilities</b>	<b>33.89</b>	<b>38.96</b>
<b>Net Income tax assets / (liabilities)</b>	<b>109.10</b>	<b>104.71</b>

### (d) Analysis of deferred tax assets and deferred tax liabilities:

	Rs in Crores	
	2022	2021
Deferred Tax Assets	42.72	38.05
Deferred Tax Liabilities	(776.41)	(570.16)
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>(733.69)</b>	<b>(532.11)</b>

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### (e) The movement in deferred tax assets and (liabilities) during the year:

				Rs in Crores
	Depreciation & Amortisation (including unabsorbed depreciation)	Employee Benefits Obligation	Tax losses and other timing differences	Total
<b>As at April 1, 2020</b>	(356.29)	1.71	68.11	(286.47)
Acquisition through business combination	(36.67)	-	-	(36.67)
Statement of Profit and Loss (charge) /credit	(224.43)	(0.08)	5.40	(219.11)
(Charge)/credit relating to other comprehensive income	-	8.25	(0.18)	8.07
Translation exchange difference	4.53	(3.92)	1.46	2.07
<b>As at March 31, 2021</b>	<b>(612.86)</b>	<b>5.96</b>	<b>74.79</b>	<b>(532.11)</b>
Recognised on business combination	(12.64)	-	-	(12.64)
Statement of Profit and Loss (charge) /credit	(161.60)	(0.44)	5.24	(156.80)
(Charge)/credit relating to other comprehensive income	2.78	(25.91)	(6.88)	(30.01)
Translation exchange difference	(3.96)	1.26	0.57	(2.13)
<b>As at March 31, 2022</b>	<b>(788.28)</b>	<b>(19.13)</b>	<b>73.72</b>	<b>(733.69)</b>

Consequent to the amendments in the Indian Income Tax Act, 1961, depreciation on Goodwill is no longer available as a deduction from taxable income with effect from 1<sup>st</sup> April 2020, except that it's written down value is available as a deduction in the event of sale of the underlying business. On goodwill of Rs 3578.51 Crores recognised in the financial statements of the Parent Company, through business combinations, no additional taxable temporary differences are expected to arise, having regard to the nature of the businesses to which the goodwill relates. [Also refer notes 2.3(a) and 6].

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities only if they relate to income taxes levied by the same authority.

### (f) Unrecognised tax items

As at March 31, 2022, unrecognised deferred tax assets on account of tax losses amount to Rs 245.09 Crores (Rs 198.57 Crores) in various jurisdictions, which can be carried forward up to a specified period or indefinitely.

## 21. REVENUE FROM OPERATIONS

		Rs in Crores
	2022	2021
<b>Revenue from contract with customers</b>		
Revenue from sale of goods	12338.10	11530.17
Revenue from sale of services	8.91	5.28
	<b>12347.01</b>	<b>11535.45</b>
<b>Other Operating Revenues</b>		
Royalty Income	29.72	19.43
Export Incentive	8.87	18.81
Miscellaneous Receipts	39.77	28.34
	<b>78.36</b>	<b>66.58</b>
	<b>12425.37</b>	<b>11602.03</b>



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 22. OTHER INCOME

	Rs in Crores	
	2022	2021
<b>Interest Income</b>		
Interest Income on Advances and Deposits carried at amortised cost	79.01	67.18
Interest on tax refund	6.38	5.52
<b>Dividend income</b>		
Non-current investments designated at fair value through OCI	2.12	2.02
<b>Others</b>		
Fair value movement in Financial instruments at fair value through profit or loss	13.49	8.11
Gains on Current Investments (net)	8.94	13.00
Other non operating income	30.12	25.55
	<b>140.06</b>	<b>121.38</b>

### 23. COST OF MATERIALS CONSUMED

	Rs in Crores	
	2022	2021
Raw Materials Consumed	4107.83	4253.39
Packing Materials Consumed	800.53	684.06
	<b>4908.36</b>	<b>4937.45</b>

### 24. CHANGE IN INVENTORIES OF FINISHED GOODS/WORK IN PROGRESS/STOCK IN TRADE

	Rs in Crores	
	2022	2021
<b>Stock as at April 1</b>		
Finished Goods	648.40	598.96
Stock-in-Trade	227.53	184.39
Work-in-Progress	48.29	12.28
	<b>924.22</b>	<b>795.63</b>
<b>Stock as at March 31</b>		
Finished Goods	629.56	648.40
Stock-in-Trade	286.85	227.53
Work-in-Progress	48.27	48.29
	<b>964.68</b>	<b>924.22</b>
	<b>(40.46)</b>	<b>(128.59)</b>
Add/Less: Adjustment due to sale of business and acquisition on Business Combination	(0.68)	20.95
	<b>(39.78)</b>	<b>(149.54)</b>

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 25. EMPLOYEE BENEFITS EXPENSE

	Rs in Crores	
	2022	2021
Salaries, Wages and Bonus*	953.23	880.55
Contribution to Provident Fund and other Funds	65.11	59.08
Workmen and Staff Welfare Expenses	29.66	30.60
	<b>1048.00</b>	<b>970.23</b>

\* Includes Rs 0.46 Crores towards share based payment incentives.

#### Employee Shared based payment incentives

The Parent Company has introduced share based incentives to certain employees during the year ended March 31, 2022, under Tata Consumer Products Limited-Share-based Long Term Incentive Scheme 2021 ("TCPL SLTI Scheme 2021") approved by Nomination and Remuneration Committee (NRC).

As per the scheme, the number of shares that will vest is conditional upon certain performance measures being achieved. The performance will be measured over the vesting period of 3 years. The shares granted under this scheme is exercisable by employees till one year from date of its vesting.

The Parent Company has granted 65,780 number of performance share units during the year ended March 31, 2022 at an exercise price of Re 1 per shares. Shares granted will vest equally each year over 3 years from date of grant. Number of shares that will vest range from 0.5 to 1.2 per performance share unit granted depending on performance measures achieved.

	2022
Performance Share Units outstanding at the beginning of the year	-
Granted during the year	65,780
Forfeited/Expired during the year	-
Exercised during the year	-
<b>Outstanding at the end of the year</b>	<b>65,780</b>

Performance share units were granted on January 4, 2022. The estimated fair value of performance share units are based on the quoted share price. The aggregate of the estimated fair values of the performance share units granted is Rs 5.36 Crores, which will be recognised in the Statement of Profit and Loss over the vesting period.

### 26. FINANCE COSTS

	Rs in Crores	
	2022	2021
Interest Expense on financial liabilities valued at amortised cost	37.97	41.85
Interest expense on lease liabilities	27.12	22.74
Net Interest on defined benefit plans	7.16	3.57
Other Borrowing Cost	0.53	0.53
	<b>72.78</b>	<b>68.69</b>



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 27. OTHER EXPENSES

	Rs in Crores	
	2022	2021
Manufacturing and Contract Packing Expenses	188.84	121.48
Consumption of Stores and Spare Parts	53.70	50.49
Power and Fuel	123.90	97.36
Repairs and Maintenance	96.52	85.72
Rent	68.64	58.53
Freight	597.71	457.26
Legal and Professional Expenses	184.49	179.40
Miscellaneous Expenses	419.83	409.22
	<b>1733.63</b>	<b>1459.46</b>

Miscellaneous expenses include exchange gain of Rs 14.65 Crores (Rs 1.98 Crores) against which offsets are available elsewhere in the Statement of Profit and Loss.

### 28. EXCEPTIONAL ITEMS

	Rs in Crores	
	2022	2021
<b>Income</b>		
Gain on conversion of Joint Venture into a Subsidiary	-	84.30
	<b>-</b>	<b>84.30</b>
<b>Expenditure</b>		
Re-organisation/business restructure costs	(46.17)	(64.25)
Loss on disposal of Subsidiary / Joint Venture	-	(46.45)
Loss on disposal of a Business	-	(4.25)
Expenses in connection with the acquisition of business	(1.80)	-
Expenses in connection with the proposed scheme of arrangement	(4.09)	-
	<b>(52.06)</b>	<b>(114.95)</b>
	<b>(52.06)</b>	<b>(30.65)</b>

### 29. EARNINGS PER SHARE

	Rs. in Crores	
	2022	2021
Group Net Profit attributable to owners of parent (Rs in Crores)	935.78	856.69
Numbers of Equity Shares Outstanding	921551715	921551715
Effect of dilutive equity shares - Performance share unit outstanding	15679	-
Weighted average number of shares outstanding during the year	921567394	921551715
Earnings Per Share (Rs.)		
Basic	10.15	9.30
Diluted	10.15	9.30

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 30. RESEARCH & DEVELOPMENT EXPENDITURE RECOGNISED DURING THE YEAR:

	Rs in Crores	
	2022	2021
i. Capital	1.81	0.50
ii. Revenue	22.06	18.03
	<b>23.87</b>	<b>18.53</b>

### 31. CAPITAL COMMITMENT

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2022 – Rs 233.99 Crores (Rs 41.91 Crores).
- b) Commitment towards Share Capital contributions in Joint Ventures & Associates - Rs 171.00 Crores (Rs 294.00 Crores).

### 32. CONTINGENCIES:

#### a) Statutory and Commercial claims:

	Rs in Crores	
	2022	2021
i. Taxes, Statutory Duties/ Levies etc.	47.13	26.44
ii. Commercial and other Claims	4.41	4.11
	<b>51.54</b>	<b>30.55</b>

- b) Past service liabilities and certain labour disputes for which amounts are not ascertainable. Labour disputes under adjudication for an Indian subsidiary Rs 0.65 Crores (Rs 0.94 Crores).

### 33. LITIGATIONS

- i) Commercial liability claims not established – amounts not ascertainable
- ii) Parent Company's overseas subsidiary in US along with several other coffee companies that roast, package, market and/or sell coffee in the State of California are defendants in public interest litigation filed by an organisation named Council of Education and Research on Toxics (CERT). The litigation contends that since coffee contains the chemical acrylamide, warning have to be included for coffee sold in that state pursuant to California state law. Acrylamide is not added to coffee but forms in trace amounts as part of a chemical reaction that occurs in coffee beans when they are roasted. The subsidiary is part of a Joint Defense Group (JDG) that is arguing the case on behalf of several leading coffee companies as defendants. During 2018 the California Office of Environmental Health Hazard Assessment (OEHHA) proposed a new regulation clarifying that cancer warnings are not required for coffee under Proposition 65 list and subsequently in June 2019, the proposed regulation was adopted by the Office of Administrative law which became law on October 1, 2019. The JDG filed a motion for summary judgment in January, 2020 which was granted in August, 2020. As a result, the litigation was dismissed and final judgment was entered on October 6, 2020. Defense filed appeals brief in August, 2021 and Plaintiff filed a reply to the Defense's appeal brief in November 2021. We expect Court to schedule oral arguments in the near term, then take the matter under submission and issue an opinion. At this stage of the proceedings, the outcome and potential liability, if any, to the subsidiary on account of their sales in the State of California is not determinable at present till the receipt of judgment, if any, which is appealable in higher courts.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### 34. LEASES

Group's leasing arrangements are for premises (residential, office, factory, godown and Stores), equipment and vehicles, these ranges between 5 months to 60 years and are usually renewable on mutually agreed terms.

#### Lease liabilities as at March 31, 2022

	Rs in Crores	
	2022	2021
Current Lease Liabilities	50.51	37.81
Non-Current Lease Liabilities	350.91	389.10
<b>Total Lease Liabilities</b>	<b>401.42</b>	<b>426.91</b>

#### Contractual maturities of lease liabilities on an undiscounted basis:

	Rs in Crores	
	2022	2021
Less than one year	87.22	66.86
One to two years	77.21	60.05
Two to five years	139.23	172.02
More than five years	371.46	399.34
<b>Total</b>	<b>675.12</b>	<b>698.27</b>

Expenses recognised on account of short-term and low value leases are disclosed under Rent in Other Expense (Refer Note 27).

#### Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These are expected to maximise operational flexibility in terms of managing the assets used in Group's operation. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

#### Movement in the net investment in sublease of Right of Use Asset:

	Rs in Crores	
	2022	2021
Balance at beginning of the year	8.20	8.57
Interest Income accrued during the year	0.25	0.31
Lease Receipts	(1.38)	(0.68)
<b>Balance at the end of the year</b>	<b>7.07</b>	<b>8.20</b>

#### Contractual maturities of net investment in sublease of Right of Use Asset on an undiscounted basis:

	Rs in Crores	
	2022	2021
Less than one year	1.14	1.28
One to two years	0.78	1.17
Two to three years	0.79	0.80
Three to Four years	0.79	0.80
Four to Five years	0.79	0.80
More than five years	3.50	4.37
<b>Total</b>	<b>7.79</b>	<b>9.22</b>

# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## 35. INTEREST IN OTHER ENTITIES

### a) Subsidiaries

The Group's subsidiaries as at March 31, 2022 are given below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group. The country of incorporation or registration is also their principal place of business and effective ownership are listed below:

Sl No.	Name of entity	Country of incorporation	Principal Activities	Effective ownership (%)		Interest held by non-controlling interests (%)	
				2022	2021	2022	2021
1	Tata Consumer Products UK Group Ltd.	U K	Holding company	89.85	89.10	10.15	10.90
	<b>Subsidiaries of Tata Consumer Products UK Group Ltd.</b>						
2	Tata Global Beverages Holdings Ltd.	U K	Dormant	89.85	89.10	10.15	10.90
3	Tata Global Beverages Services Ltd.	U K	Dormant	89.85	89.10	10.15	10.90
4	Tata Consumer Products GB Ltd.	U K	Manufacturing, marketing and distribution of tea	89.85	89.10	10.15	10.90
5	Tata Consumer Products Overseas Holdings Ltd.	U K	Holding company	89.85	89.10	10.15	10.90
6	Tata Global Beverages Overseas Ltd.	U K	Dormant	89.85	89.10	10.15	10.90
7	Lyons Tetley Ltd.	U K	Dormant	89.85	89.10	10.15	10.90
8	Drassington Ltd.	U K	Dormant	89.85	89.10	10.15	10.90
9	Teapigs Ltd.	U K	Marketing and distribution of tea	89.85	89.10	10.15	10.90
10	Teapigs US LLC	USA	Marketing and distribution of tea	89.85	89.10	10.15	10.90
11	Stansand Ltd.	U K	Dormant	89.85	89.10	10.15	10.90
12	Stansand (Brokers) Ltd.	U K	Dormant	89.85	89.10	10.15	10.90
13	Stansand (Africa) Ltd.	Kenya	Purchase and sale of tea	89.85	89.10	10.15	10.90
14	Stansand (Central Africa) Ltd.	Malawi	Purchase and sale of tea	89.85	89.10	10.15	10.90
15	Tata Consumer Products Polska sp. z o.o	Poland	Marketing and distribution of tea	89.85	89.10	10.15	10.90
16	Tata Consumer Products US Holdings Inc.	USA	Holding company	89.85	89.10	10.15	10.90
17	Tetley USA Inc.	USA	Marketing and distribution of tea	89.85	89.10	10.15	10.90
18	Tata Waters LLC	USA	Marketing and distribution of water	89.85	89.10	10.15	10.90
19	Good Earth Corporation.	USA	Holding company	89.85	89.10	10.15	10.90
20	Good Earth Teas Inc.	USA	Marketing and distribution of tea	89.85	89.10	10.15	10.90
21	Tata Consumer Products Canada Inc.	Canada	Marketing and distribution of tea	89.85	89.10	10.15	10.90
22	Tata Consumer Products Australia Pty Ltd.	Australia	Marketing and distribution of tea	89.85	89.10	10.15	10.90
23	Earth Rules Pty Ltd.	Australia	Marketing and distribution of coffee	89.85	89.10	10.15	10.90
24	Tata Global Beverages Investments Ltd.	U K	Dormant	89.85	89.10	10.15	10.90
25	Campestres Holdings Ltd.	Cyprus	Holding company	89.85	89.10	10.15	10.90
26	Kahutara Holdings Ltd.	Cyprus	Holding company	89.85	89.10	10.15	10.90
27	Suntco Holding Ltd.	Cyprus	Holding company	89.85	89.10	10.15	10.90



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

Sl No.	Name of entity	Country of incorporation	Principal Activities	Effective ownership (%)		Interest held by non-controlling interests (%)	
				2022	2021	2022	2021
28	Onomento Co Ltd.	Cyprus	Holding and assignment of Trademark	89.85	89.10	10.15	10.90
29	Tata Consumer Products Capital Ltd.	UK	Holding company	100.00	100.00	-	-
30	Tata Coffee Ltd.	India	Manufacturing, marketing and distribution of Coffee & tea	57.48	57.48	42.52	42.52
<b>Subsidiaries of Tata Coffee Ltd.</b>							
31	Tata Coffee Vietnam Company Ltd.	Vietnam	Manufacturing, marketing and distribution of Coffee	57.48	57.48	42.52	42.52
32	Consolidated Coffee Inc.	USA	Holding company	78.70	78.70	21.30	21.30
	Subsidiaries of Consolidated Coffee Inc.						
33	Eight O'Clock Holdings Inc.	USA	Holding company	78.70	78.70	21.30	21.30
34	Eight O'Clock Coffee Company.	USA	Manufacturing, marketing and distribution of Coffee	78.70	78.70	21.30	21.30
35	Tata Tea Extractions Inc.	USA	Manufacturing, marketing and distribution of tea	100.00	100.00	-	-
36	NourishCo Beverages Ltd.	India	Marketing and distribution of Water	100.00	100.00	-	-
37	Tata Consumer Soufull Private Ltd.	India	Manufacturing, marketing and distribution of Food Products	100.00	100.00	-	-
38	Tata Smartfoodz Ltd. (w.e.f November 16, 2021)	India	Manufacturing, marketing and distribution of Food Products	100.00	-	-	-
39	TCPL Beverages & Foods Ltd. (w.e.f February 25, 2022)	India	Manufacturing, marketing and distribution of Beverages & Food Products	100.00	-	-	-
40	TRIL Constructions Ltd. (w.e.f November 17, 2021) * on a fully dilutive basis	India	Development of real estate and infrastructure facilities	80.46*	-	19.54	-
41	Tata Tea Holdings Private Ltd.	India	Investment company	100.00	100.00	-	-

During the year, Tata Consumer Products Capital Limited a 100% overseas subsidiary of the Holding Company has increased its shareholding in Tata Consumer Products UK Group Ltd from 48.43% to 49.18%, consequently effective holding has increased from 89.10% to 89.85%, and the effect of the said transaction with non-controlling interest is reflected in the Statement of Changes in Equity.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### (b) Non-Controlling Interest (NCI)

The material non-controlling interests in the Group arise from the Group's 89.85% stake in the Tata Consumer Products UK Group Ltd. (TCP UK Group Ltd.) (Intermediate holding company in the UK) and 57.48% share in Tata Coffee Limited (which is the holding company of Consolidated Coffee Inc., USA and its subsidiaries and Tata Coffee Vietnam Company Ltd.).

Summarised financial information in respect of subsidiaries that has non-controlling interests which are material to the Group are disclosed below, presented before inter-company eliminations with the rest of the Group:

#### Summarised Balance Sheet:

	Rs in Crores			
	TCP UK Group Ltd (CFS)		Tata Coffee Ltd (CFS)	
	2022	2021	2022	2021
Non-current assets	4080.18	3944.33	2489.16	2459.18
Current assets	2188.41	1996.99	1199.53	1111.45
<b>Total Assets</b>	<b>6268.59</b>	<b>5941.32</b>	<b>3688.69</b>	<b>3570.63</b>
Non-current liabilities	133.22	110.12	773.86	776.00
Current liabilities	1055.28	754.86	889.28	974.61
<b>Total Liabilities</b>	<b>1188.50</b>	<b>864.98</b>	<b>1663.14</b>	<b>1750.61</b>
<b>Net Assets</b>	<b>5080.09</b>	<b>5076.34</b>	<b>2025.55</b>	<b>1820.02</b>
Accumulated Non Controlling Interest	472.92	510.52	645.57	582.37

#### Summarised Statement of Profit and Loss:

	Rs in Crores			
	TCP UK Group Ltd (CFS)		Tata Coffee Ltd (CFS)	
	2022	2021	2022	2021
Revenue	2032.67	2202.99	2363.50	2254.95
Profit/(Loss) for the year	152.50	131.51	233.40	211.55
Other Comprehensive Income	(24.90)	223.69	45.22	(8.96)
<b>Total Comprehensive Income</b>	<b>127.60</b>	<b>355.20</b>	<b>278.62</b>	<b>202.59</b>
Profit allocated to NCI	16.62	16.99	62.80	56.78
Total Comprehensive Income allocated to NCI	13.91	37.22	74.37	58.48
Dividend paid to NCI (including dividend tax)	13.48	6.44	11.91	11.91

#### Summarised Statement of Cash Flows:

	Rs in Crores			
	TCP UK Group Ltd (CFS)		Tata Coffee Ltd (CFS)	
	2022	2021	2022	2021
Cash Flows from operating activities	211.95	236.18	143.29	302.02
Cash Flows from investing activities	(394.41)	53.88	(8.05)	(25.14)
Cash Flows from financing activities	(142.97)	(24.68)	(296.52)	(140.92)
<b>Net increase/ (Decrease) in cash and cash equivalents</b>	<b>(325.43)</b>	<b>265.38</b>	<b>(161.28)</b>	<b>135.96</b>



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### (c) Interest in Joint Ventures and Associates

	Rs in Crores	
	2022	2021
Investment in Joint Ventures	224.63	185.53
Investment in Associates	9.68	21.74
	<b>234.31</b>	<b>207.27</b>

#### Joint Ventures

A list of Group's joint ventures is given below. All joint ventures are included in the Group's financial statements using the equity method of accounting:

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding	% holding
				2022	2021
1	Tata Starbucks Private Ltd.	India	Operating Starbucks Cafes in India	50.00	50.00
2	Tetley ACI (Bangladesh) Ltd.	Bangladesh	Manufacturing, marketing and distribution of tea	50.00	50.00
3	Joekels Tea Packers (Proprietary) Ltd.	South Africa	Manufacturing, marketing and distribution of tea	51.70	51.70
4	Tetley Clover (Pvt) Ltd. (under liquidation)	Pakistan	Manufacturing, marketing and distribution of tea	50.00	50.00

#### An analysis of the Group's investments in joint ventures is as follows:

	Rs in Crores	
	2022	2021
April 1	185.53	200.36
Addition	86.00	112.32
Disposal	-	(72.41)
Share of Profits / (Loss)	(37.53)	(58.51)
Share of Other Comprehensive Income	(0.35)	0.03
Dividend Received	(11.38)	(2.84)
Translation exchange difference	2.36	6.58
<b>March 31</b>	<b>224.63</b>	<b>185.53</b>

Addition relates to additional equity investment in Tata Starbucks Private Ltd. – Rs 86.00 Crores (Rs 97.50 Crores) and Southern Tea – Nil (Rs 14.82 Crores)

#### Financial information

None of the joint ventures of the Group is individually material, financial information aggregating 100% of the results is as follows:

	Rs in Crores	
	2022	2021
Profit / (loss) after tax	(75.81)	(117.84)
Other Comprehensive Income	(0.70)	0.06
<b>Total Comprehensive Income</b>	<b>(76.51)</b>	<b>(117.78)</b>

The joint ventures have no significant contingent liabilities to which the Group is exposed, and the Group has no significant contingent liabilities in relation to its interest in the joint ventures and associates. The risks associated with the Group's interest in joint ventures are the same as those identified for the Group.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### Associates

A list of Group's associates is given below. All associates are included in the Group's financial statements using the equity method of accounting:

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding	% holding
				2022	2021
1	Amalgamated Plantations Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	41.03	41.03
2	Kanan Devan Hills Plantation Co. Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	28.52	28.52
3	TRIL Constructions Ltd. (upto 16 <sup>th</sup> November, 2021)	India	Development of real estate and infrastructure facilities	-	32.50

An analysis of the Group's investments in associates is as follows:

	Rs in Crores	
	2022	2021
April 1	21.74	27.83
Addition / Adjustment	10.98	-
Disposal	1.28	-
Share of Profits / (Loss)	(26.26)	(4.82)
Share of Other Comprehensive Income	2.42	(1.03)
Dividend Received	(0.48)	(0.24)
<b>March 31</b>	<b>9.68</b>	<b>21.74</b>

### Financial information

None of the associates of the Group is individually material, financial information aggregating 100% of the results is as follows:

	Rs in Crores	
	2022	2021
Profit / (loss) after tax	(63.88)	(13.18)
Other Comprehensive Income	7.77	(1.39)
<b>Total Comprehensive Income</b>	<b>(56.11)</b>	<b>(14.57)</b>

Other comprehensive income mainly represents re-measurement losses on defined benefits obligation.



# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## 36. FINANCIAL INSTRUMENTS

### A. Accounting classification and fair values

Rs. in Crores

2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Investments								
Quoted Equity Investments	-	19.92	-	19.92	19.92	-	-	19.92
Unquoted Equity Investments *	-	139.29	-	139.29	-	7.33	131.96	139.29
Unquoted Preference Shares	205.73	-	-	205.73	-	-	205.73	205.73
Units of Mutual Funds	198.03	-	-	198.03	198.03	-	-	198.03
Loans								
Non-current	-	-	14.01	14.01	-	-	-	-
Current	-	-	659.94	659.94	-	-	-	-
Trade Receivables	-	-	835.15	835.15	-	-	-	-
Cash and Cash Equivalent	-	-	1497.97	1497.97	-	-	-	-
Other Bank balances	-	-	1101.92	1101.92	-	-	-	-
Other Financial Assets								
Non-current	-	-	35.69	35.69	-	-	-	-
Current	31.25	7.46	145.59	184.30	-	38.71	-	38.71
	<b>435.01</b>	<b>166.67</b>	<b>4290.27</b>	<b>4891.95</b>	<b>217.95</b>	<b>46.04</b>	<b>337.69</b>	<b>601.68</b>
<b>Financial liabilities</b>								
Borrowings								
Non-current	-	-	241.87	241.87	-	-	-	-
Current	-	-	768.72	768.72	-	-	-	-
Lease Liabilities								
Non-current	-	-	350.91	350.91	-	-	-	-
Current	-	-	50.51	50.51	-	-	-	-
Trade payables	-	-	1915.85	1915.85	-	-	-	-
Other Financial Liabilities								
Non-current	76.91	-	16.23	93.14	-	76.91	-	76.91
Current	20.58	4.51	186.69	211.78	20.58	4.51	-	25.09
	<b>97.49</b>	<b>4.51</b>	<b>3530.78</b>	<b>3632.78</b>	<b>20.58</b>	<b>81.42</b>	<b>-</b>	<b>102.00</b>

Rs. in Crores

2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Investments								
Quoted Equity Investments	-	15.22	-	15.22	15.22	-	-	15.22
Unquoted Equity Investments *	-	140.27	-	140.27	-	8.41	131.86	140.27
Unquoted Preference Shares	53.22	-	-	53.22	-	-	53.22	53.22
Units of Mutual Funds	323.16	-	-	323.16	323.16	-	-	323.16
Loans								
Non-current	-	-	21.87	21.87	-	-	-	-
Current	-	-	185.12	185.12	-	-	-	-
Trade Receivables	-	-	761.32	761.32	-	-	-	-
Cash and Cash Equivalent	-	-	2041.99	2041.99	-	-	-	-
Other Bank balances	-	-	1032.89	1032.89	-	-	-	-
Other Financial Assets								
Non-current	39.93	-	34.99	74.92	-	39.93	-	39.93
Current	2.96	19.88	93.51	116.35	17.56	5.28	-	22.84
	<b>419.27</b>	<b>175.37</b>	<b>4171.69</b>	<b>4766.33</b>	<b>355.94</b>	<b>53.62</b>	<b>185.08</b>	<b>594.64</b>
<b>Financial liabilities</b>								
Borrowings								
Non-current	-	-	287.54	287.54	-	-	-	-
Current	-	-	919.10	919.10	-	-	-	-
Lease Liabilities								
Non-current	-	-	389.10	389.10	-	-	-	-
Current	-	-	37.81	37.81	-	-	-	-
Trade payables	-	-	1625.47	1625.47	-	-	-	-
Other Financial Liabilities								
Non-current	76.20	-	4.04	80.24	-	76.20	-	76.20
Current	3.86	25.11	221.22	250.19	3.86	25.11	-	28.97
	<b>80.06</b>	<b>25.11</b>	<b>3484.28</b>	<b>3589.45</b>	<b>3.86</b>	<b>101.31</b>	<b>-</b>	<b>105.17</b>

\* For certain investments categorised under Level 3, cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### Measurement of fair values

The basis of measurement in respect to each class of financial asset / liability is disclosed in Note 2.2(h) of the financial statements.

The fair value of liquid mutual funds and long term equity investment is based on active market. Fair values of certain non-current investment are valued based on discounted cash flow/book value / EBITDA multiple approach. Derivative financial instruments are generally valued based on Black-Scholes-Merton approach and Dollar offset principles.

### B. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

#### i. Risk management framework

The Risk Management Committee of the Board is entrusted with the responsibility to assist the Board in overseeing and approving the Group's risk management framework. The Group has a comprehensive risk policy relating to the risks that the Group faces under various categories like strategic, operational, reputational and other risks and these have been identified and suitable mitigation measures have also been formulated. The Risk Management Committee reviews the key risks and the mitigation measures periodically. The Audit Committee has additional oversight in the area of financial risks and control.

#### ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Group's credit risk are spread both geographically as well as across customers. Majority of our customers in the developed markets have good credit rating. In addition, Group has an established credit policy and a credit review mechanism. The Group also covers certain category of its debtors through a credit insurance policy. The insurance provider sets an individual credit limit and also monitors the credit risk of the consumer. The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of financial assets. Financial assets are classified into performing, under-performing and non-performing. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Group is certain about the non-recovery.

##### (a) Trade receivables

The credit worthiness of trade debtors and the credit terms set are determined in individual regions and countries. There are no particular concentrations of credit risk as the Group's customer base is large. Trade receivables are considered a single class of financial assets, and based on the Group's experience of collecting receivables and associated defaults there is a low credit risk across regions and countries. In certain regions adequate insurance cover has been taken on trade receivables to further reduce the risk of default.

The fair values of trade and other receivables, deposits or bank guarantees are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when they become overdue. Management believes that the unimpaired amounts that are past due are collectible in full, based on historical payment pattern and analysis of customer credit risk.

Movement of allowance for credit impairment of trade receivables are as follows:

	Rs in Crores	
	2022	2021
As at April 1	37.95	14.92
Acquired on Acquisition	-	1.51
Impairment loss recognised	1.20	21.49
Translation exchange difference	0.03	0.03
<b>As at March 31</b>	<b>39.18</b>	<b>37.95</b>



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### (b) Financial instruments and cash deposits

The credit risk from balances / deposits with banks, other financial assets and current investments are managed in accordance with the Group's approved policy. Investments of surplus funds are made only with approved counterparties and within the limits assigned to each counterparties. The limits are assigned to mitigate the concentration risks. These limits are actively monitored by the treasury department.

### iii. Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations. The Group's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities (excluding lease liabilities) at the reporting date. The amounts are gross and undiscounted and exclude the impact of netting agreements:

Rs in Crores				
2022	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 Years
Borrowings	768.72	59.26	119.04	74.56
Trade payables	1915.85	-	-	-
Other financial liabilities	225.28	1.92	77.71	-
	<b>2909.85</b>	<b>61.18</b>	<b>196.75</b>	<b>74.56</b>

  

Rs in Crores				
2021	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 Years
Borrowings	919.10	57.16	143.09	103.50
Trade payables	1625.47	-	-	-
Other financial liabilities	250.19	4.04	76.20	-
	<b>2794.76</b>	<b>61.20</b>	<b>219.29</b>	<b>103.50</b>

The Group ensures that there is adequate finance available to fund growth and has adequate capacity to fund its obligations. The Group monitors rolling forecasts of its liquidity positions on the basis of expected cash flows to ensure sufficient liquidity through its cash reserves and various undrawn third party borrowing arrangements in place. The Group is also confident that if the need arises debt can be raised from the market at attractive terms. The Parent Company carries highest credit rating quality for its short term fund based lines from a reputed rating agency.

### iv. Market risk

Market risk is the risk that the fair value of the future cash flows will fluctuate because of changes in the market prices such as currency risk, interest rates risk and commodity price risk.

#### Currency Risk

The Group operates across various geographies and is exposed to foreign exchange risk on its various currency exposures. The risk of changes in foreign exchange rates relates primarily to the Group's operating activities and translation risk, which arises from recognition of foreign currency assets and liabilities and consolidation of foreign subsidiaries.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

The Group uses various derivative financial instruments governed by its board approved policy, such as foreign exchange forward and option contracts to mitigate the said risk. The counterparty for these contracts is generally a bank. The Group reports periodically to the Audit Committee of the board, the various foreign exchange risk and policies implemented to manage its foreign exchange exposures.

During the year ended March 31, 2022, the Group has designated certain foreign exchange forward contracts and option contracts as cash flow hedges to mitigate the risk of foreign currency exposure on highly probable forecasted transactions. Hedge effectiveness is determined at inception and periodic prospective effectiveness testing is done to ensure the relationship exist between the hedged items and hedging instruments, including whether the hedging instruments is expected to offset changes in cash flows of hedge items.

The currency profile of financial assets and financial liabilities:

	Rs in Crores				
2022	USD	GBP	CAD	Other Currencies	Total
Trade Receivable and Other Financial Assets including loans/advances	232.62	3.98	-	24.42	261.02
Trade Payables and Other Financial Liabilities	43.67	-	0.05	46.87	90.59

	Rs in Crores				
2021	USD	GBP	CAD	Other Currencies	Total
Trade Receivable and Other Financial Assets including loans/advances	237.70	0.23	-	18.98	256.91
Trade Payables and Other Financial Liabilities	45.34	-	0.01	17.59	62.94

The following table gives details in respect of outstanding foreign currency forward and option contracts:

		2022			2021		
Type of Contract	Currency Pair	Notional Amount in FCY Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores*	Notional Amount in FCY Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores*
Forward Contracts Outstanding							
i) Exports	EUR / GBP	-	-	-	0.45	3.86	(0.00)
	CAD / GBP	21.00	126.93	(1.32)	16.00	92.92	0.70
	USD / INR	25.55	193.66	0.99	26.68	195.04	2.90
	AUD / INR	6.00	34.01	(0.90)	6.05	33.72	(0.20)
	EUR / INR	1.41	11.82	0.27	1.56	13.36	0.52
	GBP/INR	0.74	7.36	0.16	-	-	-
ii) Payables	USD / GBP	21.00	159.15	5.28	34.25	250.38	(4.85)
	EUR / GBP	8.89	74.64	0.41	-	-	-
iii) Loans given	USD / GBP	20.39	154.52	(3.78)	20.00	146.21	0.34
iv) Loan to subsidiaries	USD / GBP	73.11	554.10	(13.57)	30.00	219.31	0.53
v) Receivables from Subsidiaries	AUD / GBP	-	-	-	1.20	6.69	(0.01)
	CAD / GBP	1.40	8.46	(0.00)	-	-	-
	USD / GBP	14.50	109.89	(2.69)	-	-	-
vi) Bank Deposits	USD/VND	0.71	5.37	(0.01)	2.59	18.96	(0.05)

\* converted at the year end exchange rates

Fair value represents impact of mark to market value as at year end.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

Following table summarises approximate gain / (loss) on the Group's profit before tax and pre-tax equity on account of appreciation / depreciation of underlying foreign currencies:

Details	2022		2021	
	Effect on Profit before tax	Effect on Pre-tax Equity	Effect on Profit before tax	Effect on Pre-tax Equity
5% appreciation of the underlying foreign currencies	1.72	(15.71)	(0.62)	(20.23)
5% depreciation of the underlying foreign currencies	(1.72)	16.25	0.62	21.02

Rs in Crores

### Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to its debt obligations with floating interest rates. The Group uses interest rate swap contracts to manage interest rate exposure on its long term debt obligations. The Group has entered into an interest rate swap whereby the Group pays a fixed rate of interest and receives a floating rate of interest on approximately half of the balance of term debt. These derivatives have been designated as cash flow hedges. In addition, the interest rate risk, can also impacts the provision for retiral benefits.

Details of Interest rate swap which the Group has entered into for hedging its interest rate exposure on borrowing:

Details of Borrowings	Currency	2022			2021		
		Foreign Currency in Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores*	Foreign Currency in Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores*
Term Loan **	USD	22.33	169.23	(4.51)	56.61	413.87	(20.26)

\* converted at the year end exchange rates

\*\* to the extent of swap entered

Fair value represents impact of mark to market value as at year end.

The following table demonstrates the sensitivity on the Group's profit before tax, to a reasonably possible change in interest rates on the unhedged portion of loans and borrowings affected, with all other variables held constant:

Change	2022	2021
	Effect on Profit before tax	Effect on Profit before tax
25 basis points increase	(0.35)	(0.94)
25 basis points decrease	0.35	0.94

Rs in Crores

### Price Risk

#### Commodity Price risk

The Group is exposed to fluctuations in price of certain commodities mainly tea, salt, pulses and coffee. Mismatch in demand and supply, adverse weather conditions, market expectations etc, can lead to price fluctuations. For tea, these fluctuations are managed through active sourcing, distribution of source of supply, private purchases and alternate blending strategies without impacting the quality of the blend. For salt and pulses, these fluctuations are managed through active sourcing and commercial negotiation with customers and suppliers.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

Further, the Group uses coffee futures and option contracts for US coffee operations, to reduce the price risk associated with forecasted purchases of coffee beans.

The Group enters into coffee futures based on market price and anticipated production requirements. These coffee futures have been designated as cash flow hedges and the unrealised gain / (loss) or fair value is recorded in other comprehensive income (OCI). The Group also enters into various call and put option contract to protect the price. The fair value of the unsettled contracts is recorded in other current assets or other current liabilities. The realised and unrealised gains and losses on these contracts are included in Statement of Profit and Loss as a part of Cost of Materials Consumed.

Outstanding position for various commodity derivatives financial instruments:

Commodity	Futures & Options	2022			2021		
		Notional Value in USD Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores	Notional Value in USD Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores
a) Coffee	Futures (Net)	24.85	188.37	2.72	19.66	143.73	15.43
b) Coffee	Options (Net)	3.15	23.84	0.38	2.81	20.52	(1.45)

\* converted at the year end exchange rate

Fair value represents impact of mark to market value as at year end.

### Equity investment Price risk

The price risk is the risk arising from investments held by the Group and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss.

The Group's equity investments are mainly strategic in nature and are generally held on a long term basis. Further, the current investments are all in units of overnight and liquid mutual funds and these are not exposed to significant price risk.

### Capital Management

The Group's objective for capital management is to maximise shareholder wealth, safeguard business continuity and support the growth of the Group. The Group determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows.

The Group's adjusted net debt and equity position as at March 31, 2022 was as follows:

	Rs in Crores	
	2022	2021
Total Borrowings	1010.59	1206.64
Less : Cash and cash equivalent including bank deposits	2586.68	3062.90
Less : Current Investments	198.03	323.16
Less : Inter-corporate Loans (excludes accrued interest)	670.65	203.39
<b>Adjusted net (cash) / debt</b>	<b>(2444.77)</b>	<b>(2382.81)</b>
<b>Total Equity</b>	<b>16293.56</b>	<b>15627.04</b>



# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## 37. EMPLOYEE BENEFITS OBLIGATION

### i) Defined contribution plans

The Group operates certain defined contribution schemes like provident fund and defined contribution superannuation schemes. Contributions are made by the Group, based on current salaries, to funds maintained by the Group and, for certain categories contributions are made to State Plans. For certain schemes, contributions are also made by the employees. Amount recognised in the statement of profit and loss on account of defined contribution schemes is Rs 50.15 Crores (Rs 45.50 Crores).

### ii) Defined benefit plans

#### (a) Pension benefits

The Group also operates defined benefits pension plans in India and UK. The defined benefit schemes in India, which are closed to future accruals, offer specified benefits to the employees on retirement. Annual actuarial valuations are carried out by independent actuaries. Wherever funds have been set up, annual contributions are also made by the Group. Employees are not required to make any contribution.

The Group sponsors a defined benefit pension plan, the Tetley GB Final Salary Scheme (the "Scheme"), in the UK with benefits based on final salary. The Group closed the Scheme to future accrual with effect from April 6, 2005. The final salary pension plans provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on the members' length of service and their salary in the schemes final year. Payments from the scheme are generally indexed in line with the retail price index. The benefit payments are from trustee-administered funds. Responsibility for governance of the plan including investment decisions lies with the board of trustees. Contribution schedules are triennially agreed between the Group and the board of trustees. The board of trustees comprise of representatives of the Group and plan participants in accordance with the plan's regulations.

#### (b) Gratuity

The Group provides for gratuity for employees in India covering eligible employees. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

#### (c) Post-employment medical benefits

The Group operates post-employment medical benefits scheme to eligible employees in India and to former employees in the UK and the US. These plans are unfunded and the valuation method is similar to those used for defined benefit pension schemes.

#### (d) Others

There are other superannuation benefits restricted to certain categories of employees/directors in the form of pension, medical and other benefits in terms of a specific policy.

#### (e) Post-employment life assurance benefits

The Group operates post-employment life assurance benefits to former employees in the US. These plans are unfunded and the valuation method is similar to those used for defined benefit pension schemes.

#### (f) Leave obligation

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

The table below outlines the net position of the Group's post-employment benefits plan:

	Rs in Crores	
	2022	2021
<b>Defined benefits - India</b>		
Pension	1.87	1.62
Gratuity	0.98	3.89
Post employment medical benefits	58.29	67.86
Others	106.96	110.00
<b>Defined benefits - Overseas</b>		
Pension	(224.42)	(206.43)
Life Assurance benefits	3.43	3.89
Post employment medical benefits	6.49	6.63
<b>Liabilities / (Assets) in the balance sheet</b>	<b>(46.40)</b>	<b>(12.54)</b>

Net Liabilities / (Assets) recognised in balance sheet for defined benefits:

	Rs. in Crores									
	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Present Value of Funded defined benefit obligation at the year end	3.56	4.14	155.82	151.51	-	-	-	-	1479.57	1554.06
Fair value of plan assets at the end of the year	3.81	5.14	154.84	147.66	-	-	-	-	1703.99	1760.49
	<b>(0.25)</b>	<b>(1.00)</b>	<b>0.98</b>	<b>3.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(224.42)</b>	<b>(206.43)</b>
Present Value of Unfunded defined benefit obligation at the year end	1.83	2.05	-	-	58.29	67.86	106.96	110.00	-	-
Asset ceiling	0.29	0.57	-	0.04	-	-	-	-	-	-
<b>Amount recognised in Balance Sheet</b>	<b>1.87</b>	<b>1.62</b>	<b>0.98</b>	<b>3.89</b>	<b>58.29</b>	<b>67.86</b>	<b>106.96</b>	<b>110.00</b>	<b>(224.42)</b>	<b>(206.43)</b>

Changes in the Defined Benefit Obligation:

	Rs. in Crores									
	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Opening Defined Benefit Obligation	6.19	7.49	151.51	152.66	67.86	65.08	110.00	101.59	1554.06	1280.54
Acquired on Business Combination	-	-	0.67	1.02	-	-	-	-	-	-
Current Service cost	-	-	10.98	10.14	1.74	1.94	3.95	6.12	-	-
Past Service Cost	-	-	0.02	-	-	-	-	-	-	-
Interest on Defined Benefit Obligation	0.34	0.40	9.38	9.51	4.33	4.20	6.90	6.48	31.35	31.53
Actuarial changes arising from change in experience	(0.25)	(0.25)	5.61	(6.95)	(10.00)	(2.64)	(1.42)	1.45	40.07	24.33
Actuarial changes arising from change in demographic assumption	0.02	-	(2.58)	-	-	-	-	-	-	42.82
Actuarial changes arising from changes in financial assumption	(0.10)	0.02	(4.85)	0.10	(4.25)	0.62	(5.63)	0.12	(70.12)	119.70
Benefits Paid	(0.81)	(1.47)	(14.32)	(15.46)	(1.39)	(1.34)	(6.84)	(5.76)	(53.55)	(51.01)
Liability assumed/(settled)	-	-	(0.60)	0.49	-	-	-	-	-	-
Translation exchange difference	-	-	-	-	-	-	-	-	(22.24)	106.15
<b>Closing Defined Benefit Obligation</b>	<b>5.39</b>	<b>6.19</b>	<b>155.82</b>	<b>151.51</b>	<b>58.29</b>	<b>67.86</b>	<b>106.96</b>	<b>110.00</b>	<b>1479.57</b>	<b>1554.06</b>



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### Changes in the Fair value of Plan Assets during the year:

	India				Overseas	
	Pension		Gratuity		Pension	
	2022	2021	2022	2021	2022	2021
Opening fair value of Plan assets	5.14	5.92	147.66	138.22	1760.49	1538.52
Employers contribution	(1.50)	-	11.25	16.32	-	74.20
Interest on Plan Assets	0.23	0.31	9.55	8.86	35.40	39.41
Administrative cost	-	-	-	-	(7.07)	(6.14)
Actual return on plan assets less interest on plan assets	0.46	0.07	0.77	(0.46)	(5.84)	41.85
Benefits Paid	(0.52)	(1.16)	(14.31)	(15.30)	(53.55)	(51.01)
Assets acquired on Acquisition / (settled on Divestiture)	-	-	(0.08)	0.02	-	-
Translation exchange difference	-	-	-	-	(25.44)	123.66
<b>Closing Fair value of plan assets</b>	<b>3.81</b>	<b>5.14</b>	<b>154.84</b>	<b>147.66</b>	<b>1703.99</b>	<b>1760.49</b>

Rs. in Crores

### Expense recognised in the statement of profit and loss for the year:

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Current Service Cost	-	-	10.98	10.14	1.74	1.94	3.95	6.12	-	-
Past Service Cost	-	-	0.02	-	-	-	-	-	-	-
Interest cost on defined benefit obligation (net)	0.11	0.09	(0.17)	0.65	4.33	4.20	6.90	6.48	(4.05)	(7.88)
<b>Total recognised in the statement of profit and loss</b>	<b>0.11</b>	<b>0.09</b>	<b>10.83</b>	<b>10.79</b>	<b>6.07</b>	<b>6.14</b>	<b>10.85</b>	<b>12.60</b>	<b>(4.05)</b>	<b>(7.88)</b>

Rs. in Crores

### Amounts recognised in Other Comprehensive Income for the year:

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Actuarial changes arising from change in demographic assumption	0.02	-	(2.58)	-	-	-	-	-	-	42.82
Actuarial changes arising from changes in financial assumption	(0.10)	0.02	(4.85)	0.10	(4.25)	0.62	(5.63)	0.12	(70.12)	119.70
Actuarial changes arising from changes in experience assumption	(0.25)	(0.25)	5.61	(6.95)	(10.00)	(2.64)	(1.42)	1.45	40.07	24.33
Return on plan asset excluding interest Income	(0.46)	(0.07)	(0.77)	0.46	-	-	-	-	5.84	(41.85)
Adjustment to recognise the effect of asset ceiling	(0.28)	0.01	(0.04)	0.04	-	-	-	-	-	-
<b>Total (gain) / loss recognised in Other Comprehensive Income</b>	<b>(1.07)</b>	<b>(0.29)</b>	<b>(2.63)</b>	<b>(6.35)</b>	<b>(14.25)</b>	<b>(2.02)</b>	<b>(7.05)</b>	<b>1.57</b>	<b>(24.21)</b>	<b>145.00</b>

Rs. in Crores

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### Principal Actuarial assumptions used:

India	2022	2021
Discount rates	5.66%/6.60%/6.95%/7.10%	6.40%/6.45%/6.50%/6.85%
Salary Escalation Rate	8% for Management Staff 7% for Staff /Workers	8% for Management Staff 7% for Staff /Workers
Annual increase in health care cost	8%	8%
Pension increase rate	18% after every three years	18% after every three years
Mortality rates	Indian Assured Lives Mortality (2012-14) Ult Table	Indian Assured Lives Mortality (2012-14) Ult Table
Overseas	2022	2021
Discount rate	2.70%	2.05%
Inflation assumptions		
- RPI	3.90%	3.30%
Rate of increase in pensions in payment	3.95%	3.55%
Rate of increase in pensions in deferment	3.90%	3.30%
Mortality Rates	Approved norms for overseas schemes	Approved norms for overseas schemes

Quantitative sensitivity analysis for significant assumption as at the year ended March 31, 2022 is as below:

	India				Rs. in Crores
	Pension	Gratuity	Medical	Others	Overseas Pension
Impact of increase in 50 basis point in discount rate on Defined Benefit Obligation	(0.09)	(5.76)	(3.86)	(4.61)	(100.29)
Impact of decrease in 50 basis point in discount rate on Defined Benefit Obligation	0.09	6.17	4.33	4.99	111.22
Impact of increase in 50 basis point in salary escalation rate on Defined Benefit Obligation	-	6.12	-	-	-
Impact of decrease in 50 basis point in salary escalation rate on Defined Benefit Obligation	-	(5.77)	-	-	-
Impact of increase in 100 basis point in health care costs on Defined Benefit Obligation	-	-	8.94	0.11	-
Impact of decrease in 100 basis point in health care costs on Defined Benefit Obligation	-	-	(7.26)	(0.09)	-
Impact of increase in 50 basis point in RPI inflation rate on Defined Benefit Obligation	-	-	-	-	38.73
Impact of decrease in 50 basis point in RPI Inflation Rate on Defined Benefit Obligation	-	-	-	-	(36.74)
Impact of increase in 100 basis point in pension rate on Defined Benefit Obligation	0.07	-	-	2.68	-
Impact of decrease in 100 basis point in pension rate on Defined Benefit Obligation	(0.06)	-	-	(2.59)	-
Impact of increase in 1 year in Life Expectancy on Defined Benefit Obligation	0.15	-	3.14	4.38	63.55
Impact of decrease in 1 year in Life Expectancy on Defined Benefit Obligation	(0.15)	-	(3.17)	(4.37)	(62.56)

Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. For the overseas pension fund, interest rate and inflation risks have been hedged, as explained in the section on risk hereunder.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### Major Categories of Plan Assets:

	India				Overseas	
	Pension		Gratuity		Pension	
	2022	2021	2022	2021	2022	2021
Govt of India Securities	-	0.10	-	-	-	-
Insurance managed Funds	3.67	4.90	154.61	147.31	-	-
Equities	-	-	-	-	146.96	208.62
Liability Driven Investments (LDI)	-	-	-	-	714.96	603.68
Multi asset credit	-	-	-	-	226.40	259.01
Diversified growth funds	-	-	-	-	118.17	148.15
Secured income	-	-	-	-	-	156.21
Corporate bonds	-	-	-	-	469.69	366.85
Cash & Insurance policies	-	-	-	-	27.81	17.97
Others	0.14	0.14	0.23	0.35	-	-
<b>Total</b>	<b>3.81</b>	<b>5.14</b>	<b>154.84</b>	<b>147.66</b>	<b>1703.99</b>	<b>1760.49</b>

### Risks

#### India

The Group contributes all its ascertained liabilities towards gratuity to the trust set up for the same. Trustees administer the contributions made to the trust. As at March 31, 2022 and March 31, 2021, the plan assets have been primarily invested in insurer managed funds.

#### Overseas

The nature of the Scheme exposes the Group to the risk of paying unanticipated additional contributions to the Scheme in times of adverse experience. The most financially significant risks are likely to be:

- **Asset volatility**

The Scheme's liabilities are calculated using a discount rate set with reference to corporate bond yields in line with the requirements of Ind AS 19 – Employees Benefits. If the Scheme assets underperform this yield, it will increase the deficit. The plan holds investments across a range of asset classes which are expected to outperform corporate bonds in the long term but have volatility and risks in the short term.

- **Changes in bond yields**

A decrease in corporate bond yields will increase plan liabilities. In the event of a reduction in the corporate bond yields there will be an increase in the value of the Scheme's interest rate swaps and derivatives held which reduce exposure to this risk by approximately 95%.

- **Inflation risk**

The Group pension obligations are linked to inflation, and higher inflation will lead to higher liabilities. The hedging strategy in place means through the use of inflation swaps and derivatives the scheme assets hedge approximately 95% of this risk.

- **Life expectancy**

The Scheme's obligation is to provide benefits for the life of the members. An increase in life expectancy will result in an increase in the Scheme's liabilities.

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### Asset-liability matching strategies used by the overseas scheme

The Scheme's stated investment strategy includes holding a benchmark allocation of 43% to liability-driven investments which involves hedging the Scheme's exposure to changes in interest rates and inflation through the use of liability driven investments (LDI) which typically involves swaps and derivatives. The benchmark allocation also includes a 13% benchmark exposure to multi-asset credit and a 28% benchmark holding in corporate bonds. The remaining portfolio is invested across a diversified range of growth assets which include equities and diversified growth funds.

### Expected contributions over the next financial year:

The Group expect to contribute approximately Rs 8.84 Crores to the scheme in the year ending March 31, 2023.

### Maturity Profile of defined benefit obligation (undiscounted basis):

	Rs. in Crores									
	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Within next 12 months	1.64	2.33	23.10	18.89	2.23	2.24	6.70	6.73	67.52	60.48
Between 2 and 5 years	2.56	3.23	56.01	49.72	9.76	9.83	30.30	29.16	233.36	224.75
Between 6 and 9 years	1.22	2.05	57.93	54.64	11.09	11.08	33.34	32.66	267.12	258.01
10 years and above	1.63	1.99	168.82	176.01	92.75	71.49	161.41	157.26	1689.09	1650.82

### Post-employment life assurance benefits - Overseas

The Group operates post-employment life assurance benefits to former employees in the US. These plans are unfunded and the valuation method is similar to those used for defined benefit pension schemes. The liability recognised in the balance sheet as at March 31, 2022 was Rs 3.43 Crores (Rs 3.89 Crores).

### Post-employment medical benefits - Overseas

The Group operates post-employment medical benefits scheme to eligible former employees in the UK and the US. These plans are unfunded and the valuation method is similar to those used for defined benefit pension schemes with the addition of actuarial assumptions relating to the long-term increase in healthcare costs in the US of 4.75% p.a. and in the UK of 6.0% p.a. The liability recognised in the balance sheet as at March 31, 2022 was Rs 6.49 Crores (Rs 6.63 Crores).

### iii) Provident Fund

The Parent Company and its Indian subsidiary operate Provident Fund Schemes and the contributions are made to recognised funds maintained by the Parent Company and an Indian subsidiary and for certain categories contributions are made to State Plans. The said companies have an obligation to fund any shortfall on the yield of the trust's investments over the administered rates on an annual basis. The Actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumption.

The details of fund and plan assets position are given below:

	Rs in Crores	
	2022	2021
Plan Assets as at year end	303.28	258.54
Present value of Funded Obligation at period end	303.28	263.98
Amount recognised in the Balance Sheet	-	(5.44)

### Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

	2022	2021
Guaranteed Rate of Return	8.10%	8.50%
Discount Rate for remaining term to Maturity of Investment	6.30%/6.80%	6.50%/6.55%
Expected Rate of Return on Investment	8.42%/8.47%	8.35%/8.50%



# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## 38. SEGMENT INFORMATION

### A. General Information

The Group has organised its businesses into Branded Segment and Non Branded Segment. Branded Segment is further sub-categorised as India Business and International Business.

Description of each segment is as follows:

#### i) Branded Business -

India Business: Sale of branded tea, coffee & water and sale of food products in various value added forms

International Business: Sale of branded tea, coffee & water and sale of food products in various value added forms

#### ii) Non Branded Business: Plantation and Extraction business for tea, coffee and other produce.

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators of the operating segments. The CODM reviews revenue and operating profits as the performance indicator for all of the operating segments and also reviews the total assets and liabilities of an operating segment.

### B. Information about reportable segments

#### a) Segment Revenue

	Rs. in Crores	
	2022	2021
<b>Branded Business</b>		
India Business	7913.54	7003.24
International Business	3335.66	3508.43
<b>Total Branded</b>	<b>11249.20</b>	<b>10511.67</b>
<b>Non Branded Business</b>	1214.44	1122.17
<b>Total Segments Revenue</b>	<b>12463.64</b>	<b>11633.84</b>
Others	13.78	13.45
Less: Inter-Segment Revenue	(52.05)	(45.26)
<b>Revenue from External Customer</b>	<b>12425.37</b>	<b>11602.03</b>

#### b) Segment Results

	Rs. in Crores	
	2022	2021
<b>Branded Business</b>		
India Business	1011.67	875.53
International Business	478.37	467.32
<b>Total Branded</b>	<b>1490.04</b>	<b>1342.85</b>
<b>Non Branded Business</b>	92.65	90.89
<b>Total Segment Results</b>	<b>1582.69</b>	<b>1433.74</b>
<b>Add/Less:</b>		
Other Income*	109.94	95.82
Finance Cost	(72.78)	(68.69)
Unallocable items	(111.80)	(119.16)
Exceptional Items	(52.06)	(30.65)
<b>Profit before Income Tax</b>	<b>1455.99</b>	<b>1311.06</b>

\* excluding amounts considered within segment results.

# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## c) Segment Assets and Liabilities

	Rs in Crores	
	2022	2021
<b>Segment Assets</b>		
<b>Branded Business</b>		
India Business	9099.75	8754.30
International Business	5384.58	5206.59
<b>Total Branded Business</b>	<b>14484.33</b>	<b>13960.89</b>
<b>Non Branded Business</b>	<b>1752.27</b>	<b>1577.24</b>
<b>Total Segment</b>	<b>16236.60</b>	<b>15538.13</b>
Unallocable Corporate Assets	4880.99	4717.74
<b>Total Assets</b>	<b>21117.59</b>	<b>20255.87</b>
	Rs in Crores	
	2022	2021
<b>Segment Liabilities</b>		
<b>Branded Business</b>		
India Business	1756.03	1611.70
International Business	785.88	748.17
<b>Total Branded Business</b>	<b>2541.91</b>	<b>2359.87</b>
<b>Non Branded Business</b>	<b>178.91</b>	<b>174.35</b>
<b>Total Segment</b>	<b>2720.82</b>	<b>2534.22</b>
Unallocable Corporate Liabilities	2103.21	2094.61
<b>Total Liabilities</b>	<b>4824.03</b>	<b>4628.83</b>

## d) Addition to non-current assets

	Rs in Crores	
	2022	2021
<b>Branded Business</b>		
India Business	532.74	597.44
International Business	122.53	43.68
<b>Total Branded Business</b>	<b>655.28</b>	<b>641.12</b>
<b>Non Branded Business</b>	<b>111.25</b>	<b>37.02</b>
<b>Total Segments</b>	<b>766.53</b>	<b>678.14</b>

Non-current assets do not include financial instruments, deferred tax assets, post-employment benefit assets.

## e) Depreciation and Amortisation Expense

	Rs in Crores	
	2022	2021
<b>Branded Business</b>		
India Business	155.18	122.74
International Business	68.01	79.01
<b>Total Branded Business</b>	<b>223.19</b>	<b>201.75</b>
<b>Non Branded Business</b>	<b>54.82</b>	<b>52.99</b>
<b>Total Segments</b>	<b>278.01</b>	<b>254.74</b>



# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## C. Additional information by Geographies

	Rs. in Crores	
<b>Revenue by Geographical Market</b>	<b>2022</b>	<b>2021</b>
India	8711.70	7782.63
USA	1638.01	1806.46
United Kingdom	1232.44	1206.31
Rest of the World	843.22	806.63
<b>Revenue from External Customer</b>	<b>12425.37</b>	<b>11602.03</b>

	Rs. in Crores	
<b>No-current Assets</b>	<b>2022</b>	<b>2021</b>
India	8156.82	7560.65
USA	1681.11	1642.15
United Kingdom	1933.71	1870.62
Rest of the World	1143.44	1139.34
<b>Total Non Current Assets</b>	<b>12915.08</b>	<b>12212.76</b>

### Notes to Segment information

- The segment wise revenue, results, assets and liabilities figures relate to the respective amounts directly identifiable to each of the segments. Un-allocable items include expenses incurred on common services at the corporate level.
- The Group has revised the composition of its reportable segments to align with the changes in the manner in which the Group's CODM allocates resource and reviews performance. The corresponding segment information for the prior year has been restated as per the requirements of Ind AS 108 – Operating Segments.
- Pricing of inter segment transfers are based on benchmark market prices.

# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## 39. RELATED PARTY TRANSACTION

- a) Related parties other than Joint Ventures and Associate with whom Group has transactions are given below, Refer Note 35 for list of Joint Ventures and Associates.

### Promoter

Tata Sons Private Limited

### Key Managerial Personnel

Mr. Sunil D'Souza - Managing Director and CEO

Mr. L Krishna Kumar - Executive Director and Group CFO

### Subsidiaries and Joint Venture of Tata Sons Private Limited

Tata Consultancy Services Limited

Tata Investment Corporation Limited

Tata Housing Development Company Limited

Tata AIG General Insurance Limited

Tata AIA Life Insurance Co Limited

Taj Air Limited

Infiniti Retail Limited

Tata International Limited

Tata International Singapore PTE Limited

Tata International Vietnam Company Limited

Tata Elxsi Limited

Ewart Investments Limited

Tata Uganda Limited

Tata Industries Limited

Tata Capital Financial Services Limited

Tata Communications Limited

Tata Teleservices Limited

Tata Teleservices Maharastra Ltd

Super Market Grocery Supplies Pvt Ltd (w.e.f May 27, 2021)

Tata Limited

Tata Realty Infrastructure Limited

Tata Digital Limited

Innovative Retail Concepts Private Limited (w.e.f May 27, 2021)

Tata 1MG Healthcare Solutions Limited (w.e.f June 09, 2021)

### Employee Benefit Funds

Tata Tea Limited Management Staff Gratuity Fund

Tata Tea Limited Management Staff Superannuation Fund

Tata Tea Limited Staff Pension Fund

Tata Tea Limited Gratuity Fund

Tata Tea Limited Calcutta Provident Fund

Tata Coffee Staff Provident Fund Trust

Tata Coffee Superannuation Fund

Tata Coffee Group Gratuity Fund



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### b) Particulars of transactions during the year ended March 31, 2022:

	Rs in Crores	
	2022	2021
<b>Sale of Goods and Services</b>		
- Joint Ventures	24.42	21.99
- Associates	2.99	6.57
- Subsidiaries and Joint Ventures of Promoter	159.92	0.32
<b>Other Operating Income</b>		
- Joint Ventures	19.08	10.26
- Associates	3.60	3.25
<b>Purchase of Goods &amp; Services</b>		
- Joint Ventures	0.60	204.01
- Associates	214.33	224.37
- Subsidiaries and Joint Ventures of Promoter	49.85	32.22
<b>Rent Paid</b>		
- Associates	2.18	2.72
<b>Other Expenses (Net)</b>		
- Joint Ventures	-	0.96
- Associates	6.80	3.01
- Promoter	30.36	27.49
- Subsidiaries and Joint Ventures of Promoter	98.26	79.02
<b>Directors Remuneration *</b>	14.07	13.25
<b>Dividend Paid</b>		
- Promoter	109.58	73.05
- Subsidiaries and Joint Ventures of Promoter	20.68	13.18
<b>Dividend/Interest Received</b>		
- Joint Ventures	10.76	2.73
- Associates	2.15	2.04
- Promoter	1.76	1.76
- Subsidiaries and Joint Ventures of Promoter	4.42	2.90
<b>Reimbursement of Expenditure/(Income)</b>		
- Joint Ventures	(1.82)	(0.26)
- Associates	(3.16)	(3.57)
- Promoter	0.17	0.14
<b>Intercompany Loan/ Deposits Given</b>		
- Associates	-	3.00
- Subsidiaries and Joint Ventures of Promoter	190.00	70.00
<b>Deposit redeemed</b>		
- Subsidiaries and Joint Ventures of Promoter	190.00	-
- Associates	3.50	-
<b>Investments Made</b>		
- Joint Ventures	86.00	112.32
- Associates	150.00	-
<b>Investments Purchase</b>		
- Subsidiaries and Joint Ventures of Promoter	488.34	-
<b>Contribution to Funds - Employee Benefit Plans</b>	34.50	43.74

\* Provision for employee benefits, which are based on actuarial valuation done on an overall basis, is excluded. The above does not include share of recurring/special benefits payables to former directors.

# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

**c) Details of material transactions (i.e. exceeding 10% in of total transaction values in respective category) with related party:**

	Rs. in Crores	
	2022	2021
<b>Sale of Goods and Services</b>		
- Joint Ventures		
Tata Starbucks Pvt. Ltd.	23.86	14.62
Southern Tea LLC.	-	6.32
- Associates		
Amalgamated Plantations Pvt Limited.	2.55	4.34
- Subsidiaries and Joint Ventures of Promoter		
Supermarket Grocery Supplies Private Limited	58.64	-
Innovative Retail Concepts Private Limited	100.75	-
<b>Other Operating Income</b>		
- Joint Ventures		
Tata Starbucks Pvt. Ltd.	19.08	10.26
- Associates		
Kanan Devan Hills Plantation Company Pvt. Ltd.	3.60	3.25
<b>Purchase of Goods &amp; Services</b>		
- Joint Ventures		
Southern Tea LLC.	-	201.11
- Associates		
Amalgamated Plantations Pvt Ltd.	128.97	128.65
Kanan Devan Hills Plantation Company Pvt. Ltd.	85.36	95.72
<b>Rent Paid</b>		
- Associates		
Amalgamated Plantations Pvt Ltd.	1.38	1.58
Kanan Devan Hills Plantation Company Pvt. Ltd.	0.80	1.14
<b>Other Expenses (Net)</b>		
- Promoter - Tata Sons Private Limited	30.36	27.49
- Subsidiaries and Joint Ventures of Promoter		
Tata Consultancy Services Limited	46.09	40.00
Tata AIG General Insurance Limited	30.71	20.57
<b>Dividend Paid</b>		
- Promoter - Tata Sons Private Limited	109.58	73.05
- Subsidiaries and Joint Ventures of Promoter		
Tata Investment Corporation Limited	17.93	11.95
<b>Dividend/Interest Received</b>		
- Promoter - Tata Sons Private Limited	1.76	1.76
- Subsidiaries and Joint Ventures of Promoter		
Tata Housing Development Company Limited	0.24	2.13



# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

	Rs. in Crores	
	2022	2021
- Joint Ventures		
Joekels Tea Packers (Proprietary) Limited	10.76	2.73
- Associates		
Kanan Devan Hills Plantation Company Pvt. Ltd.	2.15	2.04
<b>Reimbursement of Expenditure/(Income)</b>		
- Associates		
Amalgamated Plantations Pvt Ltd.	(1.34)	(1.72)
Kanan Devan Hills Plantations Company Pvt. Ltd.	(1.82)	(1.85)
<b>Intercompany Loan/ Deposits Given</b>		
- Subsidiaries and Joint Ventures of Promoter		
Infiniti Retail Limited	190.00	-
Tata Housing Development Company Limited	-	30.00
Tata International Limited	-	40.00
<b>Deposit redeemed</b>		
- Subsidiaries and Joint Ventures of Promoter		
Infiniti Retail Limited	120.00	-
Tata Housing Development Company Limited	30.00	-
Tata International Limited	40.00	-
<b>Investments Made</b>		
- Joint Ventures		
Southern Tea LLC.	-	14.82
Tata Starbucks Pvt. Ltd.	86.00	97.50
- Associate		
Amalgamated Plantations Pvt Ltd.	150.00	-
<b>Investments Purchase</b>		
- Subsidiaries and Joint Ventures of Promoter		
Tata Realty Infrastructure Limited	47.13	-
Tata Limited	46.21	-
Tata industries Limited	395.00	-
<b>Contribution to Funds - Employee Benefit Plans</b>		
Tata Tea Limited Calcutta Provident Fund	19.83	17.32
Tata Coffee Limited Employees Gratuity Fund	4.24	4.36
Tata Tea Limited Management Staff Gratuity Fund	1.55	11.15
Tata Tea Limited Gratuity Fund	4.76	4.66

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### d) Balance Outstanding as at March 31, 2022

	Rs in Crores	
	2022	2021
<b>Debit</b>		
- Joint Ventures	10.36	5.70
- Associates	11.81	17.45
- Subsidiaries and Joint Ventures of Promoter	104.80	81.25
<b>Credit</b>		
- Joint Ventures	0.64	3.08
- Associates	5.11	1.14
- Promoter	33.30	26.90
- Subsidiaries and Joint Ventures of Promoter	12.87	14.08
- Employee Benefit plans	6.58	13.13

## 40. BUSINESS COMBINATION

### (i) Acquisition of Tata Smartfoodz Limited

The Parent Company acquired 100% equity of Tata Smartfoodz Limited, pursuant to a share purchase agreement dated November 16, 2021 for a cash consideration of Rs 395.00 Crores. The acquisition will add Ready-to-Eat packaged food products in the Group's portfolio and a manufacturing facility which can cater to expansion in the Group's product portfolio.

#### Assets acquired and liabilities assumed are as follows:

	Rs in Crores
Property, Plant & Equipment	250.94
Right of Use Assets	22.00
Other Intangible Assets	1.02
Product Recipe	20.40
Other Operating Assets	70.71
<b>Total Assets</b>	<b>365.07</b>
Operating Liabilities	40.21
Borrowings	24.56
Deferred Tax Liabilities	12.64
<b>Liabilities</b>	<b>77.41</b>
<b>Total Identified Net Assets at Fair Value</b>	<b>287.66</b>
Goodwill	107.34
<b>Fair Value of Consideration</b>	<b>395.00</b>

Goodwill on the above transaction reflects growth opportunities, synergy benefits, contracts, etc. The goodwill and other intangible assets recognised are not depreciable for income tax purposes.

#### Impact of above acquisition on the results

The acquired business contributed revenue of Rs 5.58 Crores and loss before tax of Rs 22.07 Crores. Acquisition related costs amounting to Rs 1.20 Crores are reported under exceptional item in the Statement of Profit and Loss.



## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

### (ii) Acquisition of TRIL Constructions Limited

The Parent Company acquired control of TRIL Constructions Limited, consequent to a restated shareholder agreement which converted the associate into a subsidiary with effect from November 17, 2021. The total shareholding of the Parent Company, on a fully diluted basis, is 80.46%. Based on the Share Purchase Agreement, the Parent Company has acquired Preference Shares of Rs 47.13 Crores from Tata Reality Infrastructure Limited and additionally infused Rs 24.87 Crores in the preference shares of TRIL Constructions Limited. Total purchase consideration including the carrying value of existing holding is Rs 135.47 Crores.

As per requirement of IND AS 103 – Business Combination, the acquisition has been treated as an asset purchase as the acquired group of assets/liabilities does not constitute a business. The purchase consideration has been allocated to assets and liabilities acquired based on their respective fair values. Consequently, assets and liabilities amounting to Rs 242.73 Crores and Rs 73.87 Crores respectively and non-controlling Interest of Rs 33.39 Crores have been recognised in the Consolidated Financial Statements.

41. i) The Board of Directors of the Parent Company in its meeting held on March 29, 2022, has approved the composite scheme of arrangement (the scheme), amongst the Parent Company and its subsidiaries, Tata Coffee Limited (TCL) and TCPL Beverages & Foods Limited (TBFL), in terms of Section 230-232 and other applicable provisions of Companies Act, 2013.

The Scheme inter alia provides for the demerger of the Plantation Business (as defined in the Scheme) of TCL into TBFL and as consideration, issue equity shares of the Parent Company to all the shareholders of TCL (other than to itself) in accordance with the Share Entitlement Ratio mentioned in the Scheme. This would be followed immediately by the amalgamation of the TCL comprising of the Remaining Business (as defined in the Scheme) with the Parent Company and as consideration, issue equity shares of the Parent Company to all the shareholders of TCL (other than to itself) in accordance with the Share Exchange Ratio mentioned in the Scheme.

The Scheme would become effective after receipt of all requisite approvals as mentioned in the Scheme. Pending receipt of necessary approvals, no effect of the Scheme has been given in the financial results for the year ended March 31, 2022.

- ii) The Board of Directors of the Parent Company in its meeting held on March 29, 2022 has also approved acquisition of additional 10.15% stake in Tata Consumer Products UK Group Limited, an overseas subsidiary, through an issue of equity shares of the Parent Company on a preferential basis, as consideration for the acquisition. Post completion of this acquisition, after requisite approvals, Tata Consumer Products UK Group Limited will become a wholly owned subsidiary of the Parent Company.

# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## 42. ADDITIONAL REGULATORY INFORMATION

### i) Financial Ratios

Ratio	Numerator	Denominator	2022	2021	Change
(a) Current Ratio	Current Assets	Current Liabilities	2.25	2.28	-1%
(b) Debt-Equity Ratio	Total Debt (Note 1)	Total Equity	0.09	0.10	14%
(c) Debt service coverage ratio	Earnings available for debt service	Debt Service (Note 2)	2.37	7.14	-67% *
(d) Return on equity ratio	Profit for the year	Average Total Equity	6.36%	6.09%	27bps
(e) Inventory turnover ratio	Revenue from Operations	Average Inventory	5.50	5.86	-6%
(f) Trade receivables turnover ratio	Revenue from Operations	Average Trade Receivable	15.57	13.78	13%
(g) Trade payables turnover ratio	Purchases and Other Services	Average Trade Payables	5.46	7.50	27% **
(h) Net capital turnover ratio	Revenue from Operations	Working Capital	3.14	2.93	7%
(i) Net Profit ratio	Profit for the year	Revenue from Operations	8.17%	8.02%	15bps
(j) Return on capital employed	EBIT (Note 3)	Capital Employed (Note 4)	32.82%	34.68%	(186)bps
(k) Return on investment	Earnings from invested funds	Average invested funds in treasury investments	3.12%	2.97%	15bps

\* Higher repayment of loan in the current year

\*\* Higher efficiency due to working capital optimisation

Note 1: Debt includes lease liability

Note 2: Debt service = Interest and Lease payments + Principal Repayments

Note 3: EBIT = Profit before exceptional items + Finance costs - Interest and Investment income

Note 4: Capital Employed = Net Tangible Assets + Total Debt + Deferred Tax Liabilities

### ii) Relationship with Struck off Companies

The Group does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the current year and in the previous year.



# NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

## 43. ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013, OF ENTITIES CONSOLIDATED AS SUBSIDIARY/ASSOCIATES/JOINT VENTURES:

Sl. No.	Name of the Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As a % of Consolidated Net Assets	Amount (Rs in Crores)	As a % of Consolidated Profit or Loss	Amount (Rs in Crores)	As a % of Consolidated OCI	Amount (Rs in Crores)	As a % of Total Comprehensive Income	Amount (Rs in Crores)
	<b>Parent</b>								
	Tata Consumer Products Limited	77.68%	11761.91	94.65%	885.75	48.90%	24.83	92.30%	910.58
	<b>Subsidiaries</b>								
	<b>Indian</b>								
1	Tata Coffee Ltd.	7.69%	1164.48	10.88%	101.84	-1.36%	(0.69)	10.25%	101.15
2	NourishCo Beverages Ltd.	0.43%	64.43	2.78%	26.01	-0.10%	(0.05)	2.63%	25.96
3	Tata Consumer Soufull Private Ltd.	0.08%	11.51	-2.64%	(24.75)	0.69%	0.35	-2.47%	(24.40)
4	Tata Smartfoodz Ltd. (w.e.f. November 16, 2021)	1.75%	264.75	-2.36%	(22.07)	-0.22%	(0.11)	-2.25%	(22.18)
5	TCPL Beverages & Foods Ltd. (w.e.f. February 25, 2022)	0.05%	7.31	-0.02%	(0.24)	-	-	-0.02%	(0.24)
6	TRIL Constructions Ltd. (w.e.f. November 17, 2021)	0.96%	145.82	-0.13%	(1.26)	-	-	-0.13%	(1.26)
7	Tata Tea Holdings Private Ltd.	0.00%	(0.02)	0.00%	(0.00)	-	-	0.00%	(0.00)
	<b>Foreign</b>								
1	Consolidated Coffee Inc. (Consolidated Financials)	6.71%	1016.20	18.34%	171.63	-12.74%	(6.47)	16.74%	165.16
2	Tata Coffee Vietnam Company Ltd.	0.61%	91.64	0.51%	4.77	21.96%	11.15	0.02	15.92
3	Tata Tea Extractions Inc.	2.71%	410.51	3.45%	32.33	-	-	3.28%	32.33
4	Tata Consumer Products Capital Ltd	5.91%	894.76	5.48%	51.24	-	-	5.19%	51.24
5	Tata Consumer Products UK Group Ltd.	39.27%	5946.83	2.33%	21.79	-	-	2.21%	21.79
6	Tata Global Beverages Holdings Ltd.	-	-	-	-	-	-	-	-
7	Tata Global Beverages Services Ltd.	-	-	-	-	-	-	-	-
8	Tata Consumer Products GB Ltd.	16.37%	2479.47	16.22%	151.77	30.88%	15.68	16.97%	167.45
9	Tata Consumer Products Overseas Holdings Ltd.	-0.79%	(119.02)	3.14%	29.39	-	-	2.98%	29.39
10	Tata Global Beverages Overseas Ltd.	0.00%	0.00	0.02	19.62	-	-	0.02	19.62
11	Lyons Tetley Ltd. (Dormant)	0.00%	0.20	-	-	-	-	-	-
12	Drassington Ltd. (Dormant)	-	-	-	-	-	-	-	-
13	Teapigs Ltd.	0.65%	98.18	1.12%	10.51	-	-	1.07%	10.51
14	Teapigs US LLC	-0.05%	(7.93)	-0.01%	(0.12)	-	-	-0.01%	(0.12)
15	Tata Waters LLC	-0.03%	(4.24)	-0.03%	(0.24)	-	-	(0.00)	(0.24)
16	Stansond Ltd. (Dormant)	0.00%	0.05	-	-	-	-	-	-
17	Stansond (Brokers) Ltd. (Dormant)	0.00%	0.31	-	-	-	-	-	-
18	Stansond (Africa) Ltd. (Dormant)	0.14%	21.89	0.18%	1.65	-	-	0.17%	1.65
19	Stansond (Central Africa) Ltd.	0.03%	4.38	0.08%	0.78	-	-	0.08%	0.78
20	Tata Consumer Products Polska sp.zo.o	0.08%	12.04	0.16%	1.48	-	-	0.15%	1.48
21	Tata Consumer Products US Holdings Inc.	-0.87%	(132.34)	-60.83%	(569.25) *	-	-	-57.70%	(569.25)

## NOTES

to the Consolidated Financial Statements for the year ended March 31, 2022

Sl. No.	Name of the Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As a % of Consolidated Net Assets	Amount (Rs in Crores)	As a % of Consolidated Profit or Loss	Amount (Rs in Crores)	As a % of Consolidated OCI	Amount (Rs in Crores)	As a % of Total Comprehensive Income	Amount (Rs in Crores)
22	Tetley USA Inc.	1.76%	266.56	-0.57%	(5.38)	-	-	-0.55%	(5.38)
23	Good Earth Corporation.	-0.07%	(10.19)	-0.02%	(0.20)	-	-	-0.02%	(0.20)
24	Good Earth Teas Inc.	-0.64%	(97.27)	-1.66%	(15.54)	-	-	-1.58%	(15.54)
25	Tata Consumer Products Canada Inc.	0.08%	12.08	0.84%	7.85	-	-	0.80%	7.85
26	Tata Consumer Products Australia Pty Ltd.	0.18%	27.48	0.37%	3.46	-	-	0.35%	3.46
27	Earth Rules Pty Ltd.	0.00%	0.00	-0.04%	(0.36)	-	-	-0.04%	(0.36)
28	Tata Global Beverages Investments Ltd. (Dormant)	-	-	-	-	-	-	-	-
29	Campestres Holdings Ltd.	-	-	-	-	-	-	-	-
30	Kahutara Holdings Ltd.	-	-	-	-	-	-	-	-
31	Suntyco Holding Ltd.	-	-	-	-	-	-	-	-
32	Onomento Co Ltd.	0.07%	10.49	-0.51%	(4.73)	-	-	-0.48%	(4.73)
	Non-controlling Interest in all Subsidiaries	-7.61%	(1151.62)	-8.48%	(79.38)	-16.66%	(8.46)	-8.90%	(87.84)
	<b>Associates</b>								
	<b>Indian</b>								
1	Amalgamated Plantations Pvt. Ltd.	0.10%	15.75	-2.86%	(26.72)	3.43%	1.74	-2.53%	(24.98)
2	Kanan Devan Hills Plantations Co. Pvt. Ltd.	0.21%	31.34	0.11%	0.99	1.36%	0.69	0.17%	1.68
3	TRIL Constructions Ltd. (upto November 16, 2021)	-	-	-0.06%	(0.52)	-	-	-0.05%	(0.52)
	<b>Joint Ventures</b>								
	<b>Indian</b>								
1	Tata Starbucks Private Ltd.	1.23%	186.30	-5.07%	(47.42)	-0.69%	(0.35)	-4.84%	(47.77)
	<b>Foreign</b>								
1	Joekels Tea Packers (Proprietary) Ltd.	0.17%	25.58	1.22%	11.39	-	-	1.15%	11.39
2	Tetley ACI (Bangladesh) Ltd.	-0.02%	(2.44)	-0.16%	(1.49)	-	-	-0.15%	(1.49)
3	Tetley Clover (Pvt) Ltd. (under liquidation)	0.00%	0.08	0.00%	-	-	-	0.00%	0.00
	Consolidation eliminations/adjustments	-54.85%	(8305.32)	21.50%	201.20	24.56%	12.47	21.66%	213.67
	<b>TOTAL</b>	<b>100%</b>	<b>15141.94</b>	<b>100%</b>	<b>935.78</b>	<b>100%</b>	<b>50.78</b>	<b>100%</b>	<b>986.56</b>

\* Include non-cash adjustments which are eliminated through 'Consolidation eliminations/adjustments' and has no impact on these consolidated financial statements.

44. Unless otherwise stated, figures in brackets relate to the previous year. Previous year's figures have been regrouped / rearranged, to the extent necessary, to conform to current year's classifications. All the numbers have been rounded off to nearest crore.



**Form AOC 1- Statement containing salient features of the financial statement of subsidiaries / associates / joint ventures ( Pursuant to Section 129(3) of the Companies Act , 2013)**

**Part “A” : Subsidiaries**

SL No	Name of the Subsidiary	Date of acquisition/ incorporation	Reporting Currency	Exchange rate as on last day of financial year (Refer Note 3)	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding (Refer Note 2)	Average yearly rates for P&L items translation
					Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	%	Rs
1	Tata Consumer Products UK Group Ltd.	03.09.1999	GBP	99.30	2334.29	3612.51	7029.47	1082.67	5040.23	-	27.21	(4.67)	22.54	-	89.85	101.57
2	Tata Global Beverages Holdings Ltd. (Dormant)	10.03.2000	GBP	99.30	-	-	-	-	-	-	-	-	-	-	100.00	101.57
3	Tata Global Beverages Services Ltd. (Dormant)	10.03.2000	GBP	99.30	-	-	-	-	-	-	-	-	-	-	100.00	101.57
4	Tata Consumer Products GB Ltd.	10.03.2000	GBP	99.30	0.00	2479.51	2993.00	513.49	9.93	1338.74	191.65	(39.30)	152.35	-	100.00	101.57
5	Tata Consumer Products Overseas Holdings Ltd.	10.03.2000	GBP	99.30	-	(119.00)	636.48	755.48	130.44	0.00	28.80	0.51	29.31	-	100.00	101.57
6	Tata Global Beverages Overseas Ltd. (Dormant)	10.03.2000	GBP	99.30	-	0.00	0.00	0.00	-	-	19.80	-	19.80	-	100.00	101.57
7	Lyons Tetley Limited (Dormant)	10.03.2000	GBP	99.30	0.20	0.00	0.20	0.00	-	-	-	-	-	-	100.00	101.57
8	Drassington Ltd. (Dormant)	31.10.2003	GBP	99.30	19.42	(19.42)	-	-	-	-	-	-	-	-	100.00	101.57
9	Teapigs Ltd.	15.04.2005	GBP	99.30	9.93	87.95	139.96	42.08	-	142.63	12.62	(2.38)	10.24	-	100.00	101.57
10	Teapigs US LLC	27.08.2013	USD	75.79	0.00	(7.93)	14.80	22.73	-	27.53	(0.13)	-	(0.13)	-	100.00	74.15
11	Stansand Ltd. (Dormant)	10.03.2000	GBP	99.30	0.05	0.00	0.05	0.00	-	-	-	-	-	-	100.00	101.57
12	Stansand Brokers Ltd. (Dormant)	10.03.2000	GBP	99.30	0.31	0.00	0.31	0.00	-	-	-	-	-	-	100.00	101.57
13	Stansand (Africa) Ltd.	10.03.2000	KES	0.66	0.03	21.81	28.42	6.58	-	113.59	2.49	(0.85)	1.64	-	100.00	0.67
14	Stansand (Central Africa) Ltd.	10.03.2000	MWK	0.09	0.00	3.22	7.09	3.87	-	49.99	1.58	(0.47)	1.11	-	100.00	0.09
15	Tata Consumer Products Polska.sp.zoo	10.03.2000	PLN	18.04	133.25	(120.81)	28.04	15.60	-	45.37	1.54	(0.32)	1.22	-	100.00	18.82
16	Tata Consumer Products US Holdings Inc. (Refer Note 5)	10.03.2000	USD	75.79	507.80	(640.14)	205.39	337.73	198.64	-	(560.34)	-	(560.34)	-	100.00	74.15
17	Tetley USA Inc.	10.03.2000	USD	75.79	1034.53	(767.99)	313.31	46.77	-	115.03	(5.44)	-	(5.44)	-	100.00	74.15
18	Tata Waters LLC	18.08.2016	USD	75.79	-	(4.24)	0.74	4.98	-	0.88	(0.24)	-	(0.24)	-	100.00	74.15
19	Good Earth Corporation	13.10.2005	USD	75.79	-	(10.19)	0.22	10.41	-	-	(0.20)	-	(0.20)	-	100.00	74.15
20	Good Earth Teas Inc.	13.10.2005	USD	75.79	137.10	(234.37)	44.54	141.81	-	51.71	(15.51)	-	(15.51)	-	100.00	74.15
21	Tata Consumer Products Canada Inc.	10.03.2000	CAD	60.44	9.07	2.07	128.40	117.26	-	366.65	10.82	(2.89)	7.93	-	100.00	59.17

SL No	Name of the Subsidiary	Date of acquisition/ incorporation	Reporting Currency	Exchange rate as on last day of relevant financial year (Refer Note 3)	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding (Refer Note 2)	Average yearly rates for P&L items translation
				Rs	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	%	Rs
22	Tata Consumer Products Australia Pty. Ltd.	10.03.2000	AUD	56.68	66.88	(38.23)	65.33	36.68	-	127.13	5.41	(1.87)	3.54	-	100.00	54.79
23	Earth Rules Pty. Ltd.	30.04.2015	AUD	56.68	160.05	(160.05)	0.00	0.00	-	0.00	(0.36)	-	(0.36)	-	100.00	54.79
24	Tata Global Beverages Investment Ltd. (Dormant)	12.09.2006	GBP	99.30	-	-	-	-	-	-	-	-	-	-	100.00	101.57
25	Campestres Holdings Ltd.	03.02.2009	USD	75.79	0.02	(0.02)	-	-	-	-	0.00	-	0.00	-	100.00	74.15
26	Kahutara Holdings Ltd.	25.03.2009	USD	75.79	0.15	(0.15)	-	-	-	-	0.00	-	0.00	-	100.00	74.15
27	Suntyc0 Holdings Ltd.	01.09.2009	USD	75.79	0.52	(0.52)	-	-	-	-	0.00	-	0.00	-	100.00	74.15
28	Ornomento Co Ltd.	01.09.2009	USD	75.79	0.05	10.10	10.65	0.50	-	0.00	(4.58)	(0.29)	(4.87)	-	100.00	74.15
29	Tata Consumer Products Capital Ltd.	12.09.2006	GBP	99.30	899.80	4.97	1675.15	780.38	1653.36	-	46.70	3.68	50.38	-	100.00	101.57
30	Tata Coffee Ltd.	21.11.1990	INR	1.00	18.68	1145.80	1428.23	263.75	287.82	816.89	121.68	(19.84)	101.84	37.35	57.48	1.00
31	Tata Coffee Vietnam Company Ltd.	28.03.2017	USD	75.79	116.71	(21.42)	537.96	442.67	-	260.72	6.49	-	6.49	-	100.00	74.15
32	Consolidated Coffee Inc.	10.07.2006	USD	75.79	453.97	1.16	456.38	1.25	453.97	-	88.98	-	88.98	-	100.00	74.15
33	Eight O'Clock Holdings Inc.	31.07.2006	USD	75.79	453.97	(0.54)	454.29	0.86	453.97	-	88.98	-	88.98	-	100.00	74.15
34	Eight O'Clock Coffee Company	31.07.2006	USD	75.79	453.97	561.60	1982.73	967.16	-	1294.07	229.21	(57.85)	171.36	-	100.00	74.15
35	Tata Tea Extractions Inc.	29.05.1987	USD	75.79	106.10	304.30	449.27	38.87	330.24	117.46	38.42	(6.23)	32.19	-	100.00	74.15
36	NourishCo Beverages Ltd.	18.05.2020	INR	1.00	213.00	(148.57)	114.17	49.74	-	343.94	21.15	4.86	26.01	-	100.00	1.00
37	Tata Consumer Soufull Private Ltd.	17.02.2021	INR	1.00	0.76	10.75	36.38	24.87	-	34.50	(24.75)	-	(24.75)	-	100.00	1.00
38	Tata SmartFoodz Ltd.	16.11.2021	INR	1.00	498.08	(233.30)	318.16	53.38	0.16	11.86	(82.87)	-	(82.87)	-	100.00	1.00
39	TCPL Beverages & Foods Ltd. (Refer Note 6)	25.02.2022	INR	1.00	0.05	7.26	7.55	0.24	-	-	(0.24)	-	(0.24)	-	100.00	1.00
40	TRIL Constructions Ltd. (Refer Note 7)	17.11.2021	INR	1.00	36.15	109.67	218.47	72.66	-	-	(2.76)	-	(2.76)	-	80.46*	1.00
41	Tata Tea Holdings Private Ltd.	19.03.2009	INR	1.00	0.05	(0.07)	0.01	0.03	-	-	(0.00)	-	(0.00)	-	100.00	1.00

Note:

- 1 Statutory year ends for all subsidiaries are 31.03.2022.
- 2 % of shareholding is based on voting power held by the Group.
- 3 Balance Sheet items have been translated at the exchange rate as on the last day of relevant financial year.
- 4 The numbers reported above are based on individual annual financial statements prepared under local GAAP.
- 5 Profit before tax include non-cash adjustments which are eliminated at the Group level and has no impact on the consolidated financial statements.
- 6 TCPL Beverages & Foods Ltd. is yet to commence operations.
- 7 TRIL Constructions Ltd. converted to subsidiary w.e.f November 17, 2021.



**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**  
**Part “B” : Associates and Joint Ventures**

Sl No.	Name of Associates/ Joint Ventures	Amalgamated Plantation Pvt. Ltd.	Kanan Devan Hill Plantation Company Pvt. Ltd.	TRIL Constructions Ltd. <sup>\$</sup>	Tetley Clover (Pvt.) Ltd. ^	Tetley ACI (Bangladesh) Ltd.	Joekels Tea Packers (Proprietary) Ltd.	Tata Starbucks Private Ltd.
		Associate	Associate	Associate	Joint Venture	Joint Venture	Joint Venture	Joint Venture
<b>1</b>	<b>Latest audited Balance Sheet Date</b>	31.03.2022	31.03.2022	31.03.2022	28.02.2019	30.06.2021	31.03.2022	31.03.2022
<b>2</b>	<b>Date of acquisition/ incorporation</b>	17.04.2009	06.07.2005	17.11.2021	25.07.2003	17.11.2002	04.10.2006	03.01.2012
<b>3</b>	<b>Shares of Associate /Joint Ventures held by the company on the year-end</b>							
	<b>Equity Shares</b>							
i)	Number	61024400	3976563		44000000	3250000	62	472300000
ii)	Amount of Investment in Associates/Joint Venture (Rs. in Crores)	82.08 #	12.33		30.98	27.36	25.95	472.30
iii)	Extent of Holdings	41.03%	28.52%		50%	50%	51.70%	50%
	<b>Preference Shares</b>							
i)	Number	217000000	-	-	3000000	-	-	-
ii)	Amount of Investment in Associates/Joint Venture (Rs. in Crores)	205.73 @	-	-	2.59	-	-	-
<b>4</b>	<b>Description of how there is significant influence</b>	Shareholding	Shareholding		Joint Venture Agreement	Joint Venture Agreement	Joint Venture Agreement	Joint Venture Agreement
<b>5</b>	<b>Reason why the associate/joint venture is not consolidated</b>	Not Applicable	Not Applicable		Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>6</b>	<b>Networth attributable to Shareholding as per latest audited Balance Sheet (Rs in Crores)</b>	15.75	31.34		0.07	(1.39)	25.72	186.30
<b>7</b>	<b>Profit / (Loss) for the year*</b>							
i)	Considered in Consolidated** (Rs in Crores)	(26.71)	0.77	(0.52)	-	(1.49)	11.38	(47.42)
ii)	Not Considered in Consolidated (Rs in Crores)	-	-	-	-	-	-	-

Associate Companies and Joint Ventures have been determined based on the Accounting Standards.

\* Profit/(Loss) based on individual Financial Statements drawn up as at 31.03.2022, for consolidation purposes.

\*\* Represents Group's share of profit/(loss)

# measured as per Ind AS

@ redeemable preference shares, measured as per Ind AS

^ Under liquidation

\$ TRIL Constructions Ltd. converted to subsidiary w.e.f November 17,2021.

For and on behalf of the Board

**N. Chandrasekaran**  
Chairman  
(DIN 00121863)

**Sunil D'Souza**  
Managing Director & CEO  
(DIN 07194259)

**L. Krishna Kumar**  
Executive Director  
(DIN 00423616)

**John Jacob**  
Chief Financial Officer  
Mumbai, May 4, 2022

**Neelabja Chakrabarty**  
Company Secretary

## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Fifty-Ninth Annual General Meeting of Tata Consumer Products Limited will be held on **Monday, June 27, 2022, at 10:30 a.m. IST** through Video Conferencing or Other Audio-Visual Means, to transact the following businesses:

### ORDINARY BUSINESS:

#### 1. Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon.

#### 2. Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended March 31, 2022, together with the Report of the Auditors thereon.

#### 3. Declaration of Dividend

To declare a dividend of ₹ 6.05 per equity share of the face value of ₹ 1 each (605%), of the Company for the financial year ended March 31, 2022.

#### 4. Appointment of Mr. P. B. Balaji (DIN 02762983) as Director, liable to retire by rotation

To appoint a Director in place of Mr. P. B. Balaji (DIN 02762983) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

#### 5. Re-appointment of Statutory Auditors for the second term of 5 years

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of the Audit Committee and the Board of Directors, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm

Registration No. 117366W/W-100018), be and are hereby re-appointed as the Statutory Auditors of the Company, for the second term of 5 years i.e. from the conclusion of this 59<sup>th</sup> Annual General Meeting until the conclusion of 64<sup>th</sup> Annual General Meeting to be held in the year 2027 at a remuneration upto ₹ 3,06,00,000/- (Rupees Three Crores and Six Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses, for the financial year ended March 31, 2023, and the Board of Directors be and is hereby further authorized to finalize the terms and conditions of re-appointment, including remuneration of the Statutory Auditor for the remaining period, based on the recommendation of the Audit Committee.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

### SPECIAL BUSINESS:

#### 6. Ratification of Cost Auditor's Remuneration FY 2022-23

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹ 4,40,000/- (Rupees Four lakhs Forty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, payable to M/s Shome & Banerjee, Cost Accountants (Firm Registration Number 000001), who are re-appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2023.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."



## Notice of the Annual General Meeting

### 7. Re-Appointment of Mr. Siraj Chaudhry (DIN 00161853) as an Independent Director of the Company for the second term of 5 years

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 (**“the Act”**) read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (**“Listing Regulations”**) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the re-appointment of Mr. Siraj Chaudhry (DIN 00161853), who has submitted a declaration confirming that he meets the criteria of independence as provided Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and who is eligible for re-appointment as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for the second term of five years commencing from July 3, 2022 upto July 2, 2027, be and is hereby approved.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 197, and other applicable provisions of the Act and the Rules made thereunder, Mr. Siraj Chaudhry shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity of Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

### 8. Appointment of Mr. David Crean (DIN 09584874) as a Non-Executive, Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** Mr. David Crean (DIN 09584874), who was appointed as an Additional Director of the Company with effect from May 4, 2022, by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office as such up to this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (**“the Act”**) and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of Mr. David Crean (DIN 09584874), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and who is eligible for appointment, as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from May 4, 2022, up to May 3, 2027, be and is hereby approved.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. David Crean shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

## Notice of the Annual General Meeting

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

### 9. Maintaining the Registers and Indexes of Members and copies of Annual Returns at the Registered Office of the Company and/or the Registrar and Transfer Agent of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in supersession of all earlier resolutions passed by the Members in this regard and pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the approval of the Members be and is hereby accorded to keep and maintained the registers and other records as required to be maintained by the Company as per Section 88 of the Act and copies of annual returns filed under Section 92 of the Act, together with the copies of certificates and other documents required to be annexed thereto or any other documents as may be required thereunder, at the Registered office of the Company and/or at the office of the TSR Consultants Private Limited (formerly known as TSR Darashaw Consultants Private Limited), Registrar and Transfer Agent of the Company, or such other place where the office of the Registrar and Transfer Agent of the Company is situated from time to time."

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) be and is hereby authorized to take all such actions and to do all such acts, deeds, matters, and things as may be considered necessary, desirable, and expedient for giving effect to this resolution."

## NOTES

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/ 2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, No.02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, and No. 21/2021 dated December 14, 2021, (collectively referred to as "**MCA Circulars**") has permitted the holding of the annual general meeting through Video Conferencing ("**VC**") or through other audio-visual means ("**OAVM**"),

without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 ("**the Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and MCA Circulars, the 59<sup>th</sup> Annual General Meeting ("**Meeting**" or "**AGM**") of the Company is being held through VC / OAVM on Monday, June 27, 2022 at 10:30 a.m. (IST). The proceedings of AGM deemed to be conducted at the Registered Office of the Company situated at 1, Bishop Lefroy Road, Kolkata – 700 020.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

3. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than individuals, HUF's, NRI's, etc.) who are intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [asimsecy@gmail.com](mailto:asimsecy@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). latest by Sunday, June 26, 2022 (upto 5:00 p.m). Corporate Members/ Institutional shareholders (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.



## Notice of the Annual General Meeting

5. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos. 6 to 9 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
6. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 6 to 9 of the Notice along with a statement of setting out material facts concerning the business under Item No. 5 of the Notice is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at the AGM are provided as an annexure to the Notice. Requisite declarations have been received from Director/s for seeking appointment/re-appointment.
7. **The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.** Pursuant to Regulation 44(6) of Listing Regulations, the Company is also providing live webcast of proceedings of the AGM. The Members will be able to view the proceedings on National Securities Depository Limited's ('NSDL') e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM, without restriction on account of first come first served basis.
8. The Notice convening the AGM has been uploaded on the website of the Company at [www.tataconsumer.com](http://www.tataconsumer.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited at [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com) and [www.cse-india.com](http://www.cse-india.com) respectively. The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

### 9. Book Closure and Dividend:

The Register of Members and the Share Transfer Books of the Company will be closed from **Saturday, June 11, 2022, to Friday, June 17, 2022**, (both days inclusive) for the purpose of this AGM and for determining the entitlement of members to final dividend for the financial year ended March 31, 2022, if approved at the AGM.

The dividend of ₹ 6.05 per equity share of ₹ 1 each (605%), if declared at the AGM, will be paid subject to deduction of tax at source ('TDS') on or after June 29, 2022, and before July 27, 2022, as under:

- (a) To all the Beneficial Owners as at the end of the day on Friday, June 10, 2022, as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
- (b) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours on Friday, June 10, 2022.

Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members.

10. According to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, and Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents by **Wednesday, June 8, 2022 (upto 7:00 pm), to enable the Company to determine the appropriate TDS / withholding tax rate applicable.** For the detailed process, please visit the website of the Company <https://www.tataconsumer.com/investors/investor-information/letters-sent-to-shareholders> and also refer our email sent to members on May 13, 2022.

## Notice of the Annual General Meeting

11. Further, to receive the dividend on time, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA - TSR Consultants Private Limited, latest by **June 8, 2022**:

- a) **Form No. ISR-1** duly filled and signed by the holders stating their name, folio number, complete address with pincode, and following details relating to the bank account in which the dividend is to be received:
  - i) Name of Bank and Bank Branch;
  - ii) Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions; and
  - iii) 11-digit IFSC Code.
  - iv) 9 digit MICR Code.
- b) Original copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
- c) Self-attested copy of the PAN Card; and
- d) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

12. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized

form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, TSR Consultants Private Limited ("**Registrar**" or "**RTA**" or "**TSR**") at [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in) for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on the TSR's website <https://www.tcplindia.co.in/faq.html>.

13. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends for 7 consecutive years are also liable to be transferred to the Demat account of the IEPF Authority. **In view of this, Members/Claimants are requested to claim their unpaid/unclaimed dividends from FY 2014-15 till date, on or before September 5, 2022.** The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 as available on [www.iepf.gov.in](http://www.iepf.gov.in). For details, please refer to the corporate governance report which is a part of this Annual Report, and the investor page on the Company's website [www.tataconsumer.com](http://www.tataconsumer.com).

14. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc., to their Depository Participant ("**DP**") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed **Form No. ISR-1**, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.



## Notice of the Annual General Meeting

15. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting **Form No.SH13**. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in **Form SH-14**. Members who are either not desiring to register Nomination or would want to opt out, are requested to fill and submit **Form No. ISR-3**. The said forms can be downloaded from the RTA's website at <https://www.tcplindia.co.in/client-downloads.html>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
16. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividends, etc. **Form No. ISR-1** for capturing additional details is available on the Company's website. Members holding shares in physical form are requested to submit the filled-in **Form No. ISR-1** to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.
17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. The consolidation will be processed in demat form.
18. During the AGM, Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at [AGM2022@tataconsumer.com](mailto:AGM2022@tataconsumer.com), latest by **Saturday, June 25, 2022 (upto 3:00 p.m)**.
19. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
20. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
21. **Process for those shareholders whose e-mail ids are not registered with the Depositories/the Company for procuring user id and passwords and registration of e-mail ids for e-voting for the resolutions set out in this Notice:**
  - (i) **Registration of email addresses with TSR:**

The Company has made special arrangements with TSR and NSDL for the registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/ DPs are required to provide the same to TSR **on or before 5:00 p.m. IST on Monday, June 20, 2022.**

The process to be followed for registration of e-mail address is as follows:

    - (a) Visit the link: [https://tcpl.linkintime.co.in/EmailReg/Email\\_Register.html](https://tcpl.linkintime.co.in/EmailReg/Email_Register.html)
    - (b) Select the Name of the Company from the dropdown: **Tata Consumer Products Limited**
    - (c) Enter the DP ID & Client ID / Physical Folio Number, Name of the Member and PAN details. Members holding shares in physical form need to additionally enter one of the share certificate(s) number .

## Notice of the Annual General Meeting

- (d) Enter Mobile No and email id and click on Continue button.
- (e) System will send OTP on Mobile and Email Id.
- (f) Upload self-attested copy of PAN card and Address proof viz Aadhar Card, passport or front and back side of share certificate in case of Physical folio.
- (g) Enter the OTP received on Mobile and Email Address.
- (h) The system will then confirm the e-mail address for receiving this AGM Notice.

After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Annual Report for FY 2021-22 along with the e-Voting user ID and password. In case of any queries, Members may write to [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

- (ii) **Registration of e-mail address permanently with Company/DP:** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with RTA, in respect of physical holding, by submitting the **Form No. ISR-1** duly filled and signed by the holders. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/TSR to enable servicing of notices/documents / Annual Reports and other communications electronically to their e-mail address in the future.

22. **Alternatively, Members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-Voting by providing Demat account number / Folio number, and scanned copy of the share certificate (front and back) or client master, or copy of Consolidated Account statement, along with PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).**

The individual Shareholders, holding securities in Demat mode, are requested to follow steps mentioned below in **Para 32 under Step 1 (A) i.e "Login method for remote e-Voting and joining the virtual meeting for Individual shareholders holding securities in Demat mode"**.

In terms of the SEBI circular dated December 9, 2020, on the e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their Demat account to access the e-Voting facility.

23. According to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-voting system as well as e-voting during the AGM will be provided by NSDL.
24. Members of the Company holding shares either in physical form or in electronic form as of the cut-off date of **Monday, June 20, 2022, may cast their vote by remote e-Voting. The remote e-voting period commences on Thursday, June 23, 2022, at 9:00 a.m. (IST) and ends on Sunday, June 26, 2022, at 5:00 p.m. (IST).** The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before the AGM and e-Voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as of the **cut-off date of Monday, June 20, 2022.** Subject to receipt of the requisite number of votes, the Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM i.e. **Monday, June 27, 2022.** The Notice of the AGM indicating the instructions for the remote e-voting process can be downloaded from the NSDL's website [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or the Company's website [www.tataconsumer.com](http://www.tataconsumer.com).
25. Members will be provided with the facility for voting through an electronic voting system during the video conferencing proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings



## Notice of the Annual General Meeting

of the AGM. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolutions for which the member has already cast the vote through remote e-Voting.

26. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. **Monday, June 20, 2022**, shall be entitled to avail of the facility of remote e-voting before the AGM as well as e-Voting during the AGM. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e. **Monday, June 20, 2022**, may obtain the User ID and password by sending a request along with the requisite documents as mentioned in para 22 above, at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. **1800 1020 990** and **1800 22 44 30**. In the case of Individual Shareholders holding securities in Demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. **Monday, June 20, 2022**, may follow steps mentioned in **Para 32 below under Step 1 (A) i.e "Login method for remote e-Voting and joining the virtual meeting for Individual shareholders holding securities in Demat mode.**
27. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
28. Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary (Membership No. FCS 2303 & CP No. 880) has been appointed as the Scrutinizer by the

Board for providing a facility to the Members of the Company to scrutinize the remote e-Voting process before the AGM as well as remote e-Voting during the AGM, fairly and transparently.

29. The Scrutinizer will submit his report to the Chairman or any other person authorized by the Chairman, after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges on which the Company's shares are listed, NSDL, and RTA, and will also be displayed on the Company's website at [www.tataconsumer.com](http://www.tataconsumer.com).
30. Members are encouraged to submit their questions in advance concerning the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number, and mobile number, to reach the Company's email address at [AGM2022@tataconsumer.com](mailto:AGM2022@tataconsumer.com) **before 5:00 p.m. (IST) on Friday, June 24, 2022**. Queries that remain unanswered at the AGM will be appropriately responded to by the Company at the earliest, post the conclusion of the AGM.
31. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN, and mobile number at [AGM2022@tataconsumer.com](mailto:AGM2022@tataconsumer.com) **between Monday, June 20, 2022 (9:00 a.m. IST) and Friday, June 24, 2022 (5:00 p.m. IST)**. Only those Members who have pre-registered themselves as a speaker on the dedicated email id [AGM2022@tataconsumer.com](mailto:AGM2022@tataconsumer.com) will be allowed to express their views/ask questions during the AGM.

When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good Internet speed.

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

## Notice of the Annual General Meeting

**32. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, VOTING DURING THE MEETING, AND JOINING THE ANNUAL GENERAL MEETING ARE AS UNDER:**

The remote e-voting period begins on Thursday, June 23, 2022, at 9:00 a.m. (IST) and ends on Sunday, June 26, 2022, at 5:00 p.m. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners **as on the record date (cut-off date) i.e. Monday, June 20, 2022**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as of the cut-off date, being Monday, June 20, 2022.

**How to vote electronically using the NSDL e-Voting system?**

The way to vote electronically on the NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**STEP 1: ACCESS TO NSDL E-VOTING SYSTEM****(A) Login method for e-Voting and joining the virtual meeting for Individual shareholders holding securities in Demat mode**

In terms of the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in <b>Demat mode with NSDL</b> .	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

**NSDL Mobile App is available on**





## Notice of the Annual General Meeting

Type of shareholders	Login Method
Individual Shareholders holding securities in <b>Demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in <b>Demat mode</b> ) <b>login through their Depository participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

### (B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

**Alternatively,** if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

## Notice of the Annual General Meeting

## 4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is <b>119940</b> then user ID is 119940001***

## 5. Password details for shareholders other than Individual shareholders are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
  - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

## 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

## 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

## 8. Now, you will have to click on "Login" button.

## 9. After you click on the "Login" button, Home page of e-Voting will open.



## Notice of the Annual General Meeting

### STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "**EVEN 119940**" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

- a) Institutional shareholders/Corporate Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [asimsecy@gmail.com](mailto:asimsecy@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), latest by Sunday, June 26, 2022 (upto 5:00 p.m.). Institutional shareholders/Corporate Members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Asst. Vice President, NSDL and /or Ms. Pallavi Mhatre, Senior Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### 33. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## Notice of the Annual General Meeting

### 34. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under "Join General Meeting" menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further, Speakers will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective networks. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

**By Order of the Board of Directors**

**Neelabja Chakrabarty**

Company Secretary

(Membership No: ACS 16075)

Mumbai  
May 4, 2022

**Registered Office:**

1, Bishop Lefroy Road, Kolkata – 700 020

CIN - L15491WB1962PLC031425

E-mail id: [investor.relations@tataconsumer.com](mailto:investor.relations@tataconsumer.com)

Website address: [www.tataconsumer.com](http://www.tataconsumer.com)



## Notice of the Annual General Meeting

### EXPLANATORY STATEMENT FOR RESOLUTION NOS. 5 TO 9 OF THE NOTICE

**The statement sets out all material facts concerning ordinary business mentioned under resolution no. 5, of the accompanying Notice.**

#### Resolution no. 5: Ordinary Resolution

##### Re-appointment of Statutory Auditors for the second term of 5 years

The Members of the Company at the 54<sup>th</sup> Annual General Meeting ('AGM') held on August 18, 2017, had approved the appointment of Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Registration No.117366W/W-100018) ("**Deloitte**"), as the Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of the 54<sup>th</sup> AGM until the conclusion of the 59<sup>th</sup> AGM. Accordingly, Deloitte would be completing its first term of five years at the conclusion of this 59<sup>th</sup> AGM.

In accordance with the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014, the Company can appoint or reappoint an audit firm as Statutory Auditors for not more than two terms of five consecutive years. Deloitte is eligible for reappointment for a further period of five years.

The Board of Directors, at its meeting held on May 4, 2022, based on the recommendation of the Audit Committee, approved the re-appointment of Deloitte for the second term of five years to hold office from the conclusion of the 59<sup>th</sup> AGM till the conclusion of the 64<sup>th</sup> AGM to be held in the year 2027, at a remuneration upto ₹ 3.06 Crores plus applicable taxes and reimbursement of out-of-pocket expenses for the financial year ended March 31, 2023 and proposed the same for approval of the members. Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the statutory auditors under various regulations. The Board of Directors and the Audit Committee shall approve the revision in the remuneration of the statutory auditors, for the balance part of the tenure, based on the performance review and any additional efforts on account of changes in regulations or management processes, business acquisitions, internal restructurings or other considerations.

Deloitte has, in the past five years, demonstrated all round capabilities in executing group-wide audits. Deloitte has confirmed that they remain independent, as required by the relevant ethical /independence requirements as enunciated in the Act and the Code of Ethics issued by the ICAI, that are relevant to their audit of the standalone and consolidated financial statements under the provisions of the Act and the Rules made thereunder. They are not under a relationship that would be thought to influence their independence as auditors of the Company/Group.

Deloitte had deployed a strong audit team of senior audit professionals for Tata Consumer Products Group over the last audit term. During their audit term, the Company was involved in multiple complex activities including several acquisitions and mergers of the consumer products business of Tata Chemical Limited and several changes in the management processes and implementation of SAP HANA. Overall, Deloitte has a strong global presence, relevant experience with the listed companies of similar size or scale, single global audit approach (with more than 99% of the Tata Consumer Products groups business being currently audited by Deloitte/Deloitte affiliates worldwide) and sector specialist experience.

Deloitte has consented to their appointment and confirmed that their appointment if made, would be in accordance with Section 139 read with Section 141 of the Act. Deloitte has also confirmed that they have subjected themselves to the peer-review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board of ICAI'. Deloitte has also furnished a declaration confirming its independence in terms of section 141 of the Act and declared that it has not taken up any prohibited non-audit assignments for the Company.

Based on the recommendation made by the Audit Committee, after assessing the performance of Deloitte and considering the experience and expertise of Deloitte, the Board recommends the re-appointment of Deloitte as Statutory Auditors for the second term of 5 years, as set out in the Resolution no. 5, for approval of the Members as an Ordinary Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

## Notice of the Annual General Meeting

**As required by Section 102 of the Act, the following explanatory statement sets out all material facts relating to the special businesses mentioned under resolutions Nos. 6 to 9 of the accompanying Notice.**

### Resolution no. 6: Ordinary Resolution

#### Ratification of Cost Auditor's Remuneration FY 2022-23

As per the provisions of Section 148 of the Companies Act, 2013 ('the Act') read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have an audit of its cost records conducted by a cost accountant in practice for products covered under the Companies (Cost Records and Audit) Rules, 2014. The Board, based on the recommendation of the Audit Committee, has approved the re-appointment of M/s. Shome & Banerjee, Cost Accountants, (Firm Registration Number 000001), as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2023, at a remuneration of ₹ 4.40 Lacs plus applicable taxes and reimbursement of reasonable out-of-pocket expenses.

In accordance with Section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors, for the financial year ending March 31, 2023.

The Board commends ratification of remuneration of Cost Auditors, as set out in Resolution no. 6 of the Notice for approval by the Members as an Ordinary Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

### Resolution no. 7: Special Resolution

#### Re-appointment of Mr. Siraj Chaudhry (DIN 00161853) as an Independent Director of the Company for a second term of 5 years

Mr. Siraj Chaudhry, was appointed as an Independent Director at the 54<sup>th</sup> Annual General Meeting held on August 18, 2017, for a period of 5 years with effect from July 3, 2017, till July 2, 2022, and he is eligible for re-appointment for the second term of 5 years that is from July 3, 2022, till July 2, 2027.

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at its meeting held on May 4, 2022, recommended the re-appointment of Mr. Siraj Chaudhry, for the term of second term five years i.e. from July 3, 2022 till July 2, 2027, subject to the approval of the Members.

The profile and specific areas of expertise of Mr. Chaudhry are provided as Annexure to this Notice.

Mr. Chaudhry has given his declaration to the Board that he continues to meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ('the Act') and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent for such re-appointment. In the opinion of the Board, Mr. Chaudhry is a person of integrity, possesses the relevant expertise/experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and he is independent of the management. In terms of Regulation 25(8) of Listing Regulations, Mr. Chaudhry has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Given his experience, the Board considers it desirable and in the interest of the Company to continue Mr. Chaudhry on the Board of the Company and accordingly the Board recommends the re-appointment of Mr. Chaudhry as an Independent Director for a second term of 5 years, as proposed in the Resolution no. 7 for approval by the Members as a Special Resolution.

Except for Mr. Siraj Chaudhry and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.



## Notice of the Annual General Meeting

The terms and condition of appointment of the Independent Directors are uploaded on the website of the Company <https://www.tataconsumer.com/corporate-governance/compliances-and-filings> and is available for inspection.

### Resolution no. 8: Special Resolution

#### Appointment of Mr. David Crean (DIN 09584874) as a Non-Executive, Independent Director of the Company

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at its meeting held on May 4, 2022, appointed Mr. David Crean as an Additional Director of the Company and also as an Independent Director, not liable to retire by rotation, for a term of five years i.e. from May 4, 2022, up to May 3, 2027 subject to the approval of the Members. According to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act'), Mr. Crean shall hold office as Additional Director up to the date of this Annual General Meeting and is eligible to be appointed as a Director.

The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director. The profile and specific areas of expertise of Mr. Crean are provided as Annexure to this Notice. Mr. Crean has given his declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director. In the opinion of the Board, Mr. Crean is a person of integrity, possesses the relevant expertise/experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and he is independent of the management. In terms of Regulation 25(8) of Listing Regulations, Mr. Crean has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Crean on the Board of the Company and accordingly the Board recommends the appointment of Mr. Crean as an Independent Director as proposed in the Resolution no. 8 for approval by the Members as a Special Resolution.

Except for Mr. David Crean and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

The terms and condition of appointment of the Independent Directors are uploaded on the website of the Company <https://www.tataconsumer.com/corporate-governance/compliances-and-filings> and is available for inspection.

### Resolution no. 9: Special Resolution

#### Maintaining the Registers and Indexes of Members and copies of Annual Returns at the Registered Office of the Company and/or of the Registrar and Transfer Agent of the Company

As required under the provisions of Section 94 of the Companies Act, 2013 ('the Act'), certain documents such as the Registers and Indexes of Members, Debenture holders & any other security holders and certain other registers, certificates, records, returns etc., are required to be kept at the registered office of the Company. However, such registers, records, returns etc., can also be kept at any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.

Owing to the shifting of the registered office of the TSR Consultants Private Limited, (formerly known as TSR Darashaw Consultants Private Limited) Registrar and Transfer Agent of the Company ('RTA'), it has shifted its operations from the 6-10, Haji Moosa Patrawala Industrial Estate, 20 Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011 to C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai -400 083, and thus the records of the Company maintained by them have been shifted to RTA's new premises.

Given the operational convenience, the approval of the Members is sought by a Special Resolution to enable the Company to keep and maintain the registers, returns and other records as required under Section 88 of the Act, copies of Annual Returns as filed/to be filed under Section 92 of the Act, and other documents at the Registered Office of the Company, and/or of the Registrar and Transfer Agent of the Company or such other place

## Notice of the Annual General Meeting

where the office of the Registrar and Transfer Agent of the Company is situated from time to time. ***The present place of keeping such records is TSR Consultants Private Limited, C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083.***

The time for inspection of documents, by shareholders or such persons as are entitled to such inspection, will be between 11:00 a.m. to 1:00 p.m. on any working day of RTA or by writing to the Company at [investor.relations@tataconsumer.com](mailto:investor.relations@tataconsumer.com) except when the Registers and Books are closed under the provisions of the Act or the Articles of Association of the Company.

The Board recommends the Resolution no. 9 of the Notice for approval by the Members as a Special Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

**By Order of the Board of Directors**

**Neelabja Chakrabarty**

Company Secretary

(Membership No: ACS 16075)

Mumbai  
May 4, 2022

**Registered Office:**

1, Bishop Lefroy Road, Kolkata – 700 020

CIN - L15491WB1962PLC031425

E-mail id: [investor.relations@tataconsumer.com](mailto:investor.relations@tataconsumer.com)

Website address: [www.tataconsumer.com](http://www.tataconsumer.com)



## Notice of the Annual General Meeting

### ANNEXURE TO THE NOTICE

#### Details of Directors seeking Appointment/Re-appointment at the Fifty-Ninth Annual General Meeting

Name of Director	Mr. P. B. Balaji	Mr. Siraj Chaudhry	Mr. David Crean
Director Identification Number (DIN)	02762983	00161853	09584874
Designation/ category of the Director	Non-Executive (Non-Independent) Director	Non-Executive, Independent Director	Non-Executive, Independent Director
Age	52 Years	55 Years	61 Years
Date of the first appointment on the Board	August 8, 2020	July 3, 2017	May 4, 2022
Qualifications	Mr. Balaji is a graduate of the Indian Institute of Technology, Chennai, and has a post-graduate management degree from the Indian Institute of Management, Kolkata.	Mr. Chaudhry holds an MBA from the Indian Institute of Foreign Trade (IIFT) and is a graduate of SRCC, University of Delhi	Mr. Crean graduated with a BA (Hons) Degree in Applied Biology in 1982 from Liverpool Polytechnic
Brief Profile, Experience, and Expertise in specific functional areas	<p>Mr. Balaji is the group chief financial officer of Tata Motors Limited since November 2017. In his role as the CFO of Tata Motors, he is a part of the executive committee of Tata Motors and is responsible for the Tata Motors financial performance and helps Tata Motors Limited make the right choices to seize the future while driving profitable and sustainable growth. He is also on the boards of Jaguar LandRover, Tata Motors Finance Group, Tata Technologies.</p> <p>Mr. Balaji is a global finance professional with almost three decades of experience in the corporate sector spanning the FMCG and Automotive industries. He started his career with Unilever in 1995 and worked in different corporate finance roles across Asian markets, Switzerland, UK, and India. He joins Tata Motors after his last assignment with Hindustan Unilever, a \$6 billion enterprise, where he headed the finance function as chief financial officer.</p>	<p>Mr. Chaudhry has worked extensively with industry, the social sector, and the Government on transformational and numerous nation-building projects. He has over 34 years of experience in building, turning around, acquiring, and divesting businesses. In his current role as Managing Director &amp; CEO of NCML, he is leading the organization into greater diversification and expanding the company footprint across the country as a trusted and preferred Agri Supply chain and solutions company. Mr. Chaudhry was the Chairman of Cargill India, the Indian arm of Cargill Inc., where he led the building and expansion of Cargill's Food Business in India. He was instrumental in transforming a traditional B2B business into an FMCG company of repute. He also serves as an Independent Director on the boards of Tata Coffee Ltd, Dhanuka Agritech, and Jubilant Ingrevia Ltd, and Carrier Aircon besides being on the advisory board of ABInbev and a member of the Food and Agri Advisory group at British International Investment (earlier CDC Group plc.) He has, in the past, been an Independent Director on the Board of IndusInd Bank and has served as the Co-chair of the National Committee for Agriculture at FICCI.</p>	<p>Mr. Crean was the Vice President of Corporate R&amp;D &amp; Chief Science Officer at Mars Incorporated, Virginia, USA. He held global roles across all Mars business segments contributing to science strategy, delivery, research practices, policies, innovation, and quality and food safety standards. He has held a variety of senior leadership positions at Mars, including that of Chief Science Officer from 2018 onwards. His earlier roles also included European Food R&amp;D Director at MasterFoods (Mars Food) Europe in the Netherlands, where he was jointly responsible for turning around Mars' European food business into a highly profitable enterprise. He also held the role of R&amp;D Director at Mars Poland. He was a key player in commissioning three new factories in Poland, launching 70+ Mars products, developing local supply chains, and establishing a local Polish team. He has over three decades of experience in technology and Research &amp; Development.</p> <p>He was a member of the board of the Partnership for Aflatoxin Control in Africa and a panelist at events organized by the UN and WHO on World Food Security and Food Safety.</p>

## Notice of the Annual General Meeting

Name of Director	Mr. P. B. Balaji	Mr. Siraj Chaudhry	Mr. David Crean
		<p>He is a member of CDC Group's Food &amp; Agriculture Advisory Council. He has been past Chair of the National Committee on Food Processing at FICCI and the National Alliance for Edible Oil Fortification, a joint initiative by CII and GAIN to address malnutrition through food fortification.</p> <p>He has received numerous awards and recognitions, including Pride of Uttar Pradesh by Lucknow Management Association and Pioneer for Edible Oil Fortification by FSSAI.</p>	
Directorships held in other companies including listed companies (^) and excluding foreign companies as of the date of this Notice.	1) Tata Passenger Electric Mobility Limited 2) Tata Motors Finance Limited 3) Tata Motors Finance Solutions Limited 4) TMF Holdings Limited 5) Tata Technologies Limited 6) Tata Motors Passenger Vehicles Limited	1) Tata Coffee Limited^ 2) Dhanuka Agritech Limited^ 3) Jubilant Ingrevia Limited^ 4) National Commodities Management Services Limited 5) NCML Agribusiness Consultants Private Limited 6) NCML Mktyard Private Limited 7) Arboreal Bioinnovations Private Limited 8) Bikaji Foods International Limited 9) Carrier Airconditioning & Refrigeration Limited	Nil
Name of listed entities from which the person has resigned in the past three years	Nil	Indusind Bank Limited (ceased w.e.f. September 23, 2019)	Nil



## Notice of the Annual General Meeting

Name of Director	Mr. P. B. Balaji	Mr. Siraj Chaudhry	Mr. David Crean
Memberships / Chairmanships of committees of other companies including listed companies (A) and excluding foreign companies as of the date of this Notice	<p><b>Member of Audit Committee of:</b></p> <ol style="list-style-type: none"> <li>1) Tata Motors Finance Limited</li> <li>2) Tata Motors Finance Solutions Limited</li> <li>3) Tata Technologies Limited</li> <li>4) TMF Holdings Limited</li> </ol> <p><b>Member of Stakeholders Relationship Committee and of:</b></p> <p>Tata Motors Finance Solutions Limited</p> <p><b>Member of Nomination and Remuneration Committee of:</b></p> <ol style="list-style-type: none"> <li>1) Tata Motors Finance Limited</li> <li>2) Tata Motors Finance Solutions Limited</li> <li>3) TMF Holdings Limited</li> </ol> <p><b>Member of Risk Management Committee of:</b></p> <ol style="list-style-type: none"> <li>1) Tata Motors Finance Limited</li> <li>2) Tata Motors Finance Solutions Limited</li> <li>3) TMF Holdings Limited</li> </ol> <p><b>Chairman of Corporate Social Responsibility Committee of:</b></p> <p>Tata Technologies Limited</p> <p><b>Member of Corporate Social Responsibility Committee of:</b></p> <p>Tata Motors Finance Solutions Limited</p> <p><b>Member of Asset Liability Management Committee of:</b></p> <ol style="list-style-type: none"> <li>1) Tata Motors Finance Limited</li> <li>2) Tata Motors Finance Solutions Limited</li> <li>3) TMF Holdings Limited</li> </ol> <p><b>Member of IT Strategy Committee of:</b></p> <ol style="list-style-type: none"> <li>1) Tata Motors Finance Limited</li> <li>2) Tata Motors Finance Solutions Limited</li> <li>3) TMF Holdings Limited</li> </ol>	<p><b>Member of Audit Committee of:</b></p> <ol style="list-style-type: none"> <li>1) Tata Coffee Limited^</li> <li>2) Jubilant Ingrevia Limited^</li> </ol> <p><b>Member of Risk Management Committee of:</b></p> <ol style="list-style-type: none"> <li>1) Tata Coffee Limited^</li> <li>2) Jubilant Ingrevia Limited^</li> </ol> <p><b>Chairman of Nomination and Remuneration Committee of:</b></p> <p>Tata Coffee Limited^</p>	Nil
Relationship with other Directors, Managers, and other Key Managerial Personnel of the Company	Nil	Nil	Nil
Shareholding in the Company including shareholding as a beneficial owner	285 equity shares held in his name	Nil	Nil

## Notice of the Annual General Meeting

Name of Director	Mr. P. B. Balaji	Mr. Siraj Chaudhry	Mr. David Crean
Terms and Conditions of appointment / re-appointment	Re-appointment as a Non-Executive, Non-Independent Director	Re-appointment as a Non-Executive, Independent Director. For the detailed terms and conditions of appointment of an Independent Director, please refer Company's website: <a href="https://www.tataconsumer.com/corporate-governance/compliances-and-filings">https://www.tataconsumer.com/corporate-governance/compliances-and-filings</a>	
Details of Remuneration sought to be paid	He shall be paid a fee for attending meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board and other meetings	They shall be paid remuneration in the capacity of Non-Executive, Independent Director, by way of fee for attending meetings of the Board or Committees thereof, reimbursement of expenses for participating in the Board and other meetings, and profit related commission within the limits stipulated under Section 197 of the Companies Act, 2013, as may be decided by the Board from time to time.	
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA	<p>The role and capabilities as required in the case of an independent director are well defined in the Policy on Nomination, Appointment, and Removal of Directors. Further, the Board has a defined list of core skills/expertise/competencies, in the context of its business and sector for it to function effectively.</p> <p>The Nomination and Remuneration Committee of the Board has evaluated the profile of Mr. Chaudhry and Mr. Crean and concluded that Mr. Chaudhry and Mr. Crean possess the relevant skill and capabilities to discharge the role of Independent Directors.</p>	

**Note:** ^Companies, whose equity shares are listed on a recognized stock exchange in India

For other details such as the number of meetings of the Board attended during FY 2021-22, remuneration last drawn in FY 2021-22 by Mr. P. B. Balaji and Mr. Siraj Chaudhry, please refer to the corporate governance report which is a part of this Integrated Annual Report. Mr. David Crean has been appointed w.e.f. May 4, 2022, and was not a Director of the Company in FY 2021-22, and thus information relating to FY 2021-22 is not applicable, hence not stated.

The profile of the Directors is available on the Company's website at <https://www.tataconsumer.com/about/leadership>





**TATA CONSUMER PRODUCTS LIMITED**

1, Bishop Lefroy Road, Kolkata 700020  
[www.tataconsumer.com](http://www.tataconsumer.com)