Financial Statements

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, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity 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, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity 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 (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities 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 judgement, were of most significance in our audit of the standalone financial statements of the current period. 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	**Impairment of investments in an associate** 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 ₹ 333.85 crore (equity shares ₹82.08 crore and preference shares ₹251.77 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.	Besides obtaining an understanding of Management's processes and controls with regard to testing the investments for impairment our procedures included the following: 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. 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.

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.

Responsibilities of Management and Those Charged with Governance 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, cash flows and changes in equity 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 of the Company 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 control with reference to Standalone Financial Statements 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 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 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 Cash Flow Statement and Statement of Changes in Equity 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to standalone financial statements 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 with reference to Standalone Financial Statement.
   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 it's 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 it's 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 final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 13 (vi) to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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)
Place: Mumbai (Membership No. 039826)
Date: April 25, 2023 UDIN: (23039826BGXRYX8938)

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 with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Tata Consumer Products Limited (the "Company") as of March 31, 2023 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 with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements. 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 with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements 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.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to Standalone Financial Statements 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: (23039826BGXRYX8938)

Place: Mumbai
Date: April 25, 2023

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 and relevant details of right-of-use assets.

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, 2023 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 and according to the information and explanations given to us, 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 ₹ 5 crores, in aggregate, at points of time during the year, 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, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) 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:

₹ crore

		Loans
A.	Aggregate amount granted / provided during the year:	
	Subsidiaries	25.00
	Associates	4.00
	Others – Inter Corporate Deposits ("ICD")	975.00
B.	Balance outstanding as at balance sheet date in respect of above cases:	
	Subsidiaries	25.00
	Associates	16.25
	Subsidiary of Promoter Company	15.00
	Others	385.00

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

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 (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, 2023 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, 2023 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 (₹ 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
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	April 15 to June 17	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) In our opinion, the Company has not defaulted in repayment of loans or borrowings, or in the payment of interest thereon to any lender during the year.

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 term 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) On overall examination of the financial statements, we report that the Company has not taken any funds from any entity or person or utilised the unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year to meet the obligations of its subsidiaries, associates or joint ventures.

f) The Company has not raised loans during the year on pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (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 (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.

(xii) The Company is not a Nidhi Company and hence reporting under clause (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.

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

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN: (23039826BGXRYX8938)

Place: Mumbai
Date: April 25, 2023

Balance Sheet

as at March 31, 2023

Rs. in Crores

	Note	2023	2022
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	302.12	296.93
Capital Work-in-Progress	3	13.89	2.58
Right of Use Asset	4	205.70	210.97
Goodwill	5	3578.51	3578.51
Other Intangible Assets	5	2463.22	2477.64
Intangible Asset under Development	5	8.45	37.18
Financial Assets			
Investments	6	4184.25	3368.76
Loans	7	12.36	13.80
Other Financial Assets	8	114.78	104.44
Non-Current Tax Assets (Net)	19 (c)	130.63	121.97
Other Non-Current Assets	9	89.04	86.27
		11102.95	**10299.05**
Current assets			
Inventories	10	1400.60	1271.94
Financial Assets			
Investments	6	651.39	156.94
Trade Receivables	11	341.65	281.76
Cash and Cash Equivalents	12	177.53	327.40
Other Bank Balances	12	1070.25	1001.21
Loans	7	430.56	559.70
Other Financial Assets	8	77.29	48.75
Other Current Assets	9	340.32	279.46
		4489.59	**3927.16**
TOTAL ASSETS		**15592.54**	**14226.21**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13 (a)	92.90	92.16
Other Equity	13 (b)	12660.36	11669.75
TOTAL EQUITY		**12753.26**	**11761.91**
Non-Current Liabilities			
Financial Liabilities			
Lease Liabilities	35	201.45	205.19
Other Financial Liabilities		84.21	76.91
Provisions	16	130.11	135.32
Deferred Tax Liabilities (Net)	19 (e)	575.38	511.22
		991.15	**928.64**
Current liabilities			
Financial liabilities			
Borrowings	14	39.50	-
Lease Liabilities	35	35.66	29.71
Trade Payables	17		
Total outstanding dues of Micro enterprises and Small enterprises		20.87	29.64
Total outstanding dues of creditors other than Micro enterprises and Small enterprises		1497.30	1234.10
Other Financial Liabilities	15	74.24	77.68
Other Current Liabilities	18	95.81	96.66
Provisions	16	56.82	62.74
Current Tax Liability (Net)	19 (d)	27.93	5.13
		1848.13	**1535.66**
TOTAL EQUITY AND LIABILITIES		**15592.54**	**14226.21**

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, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

K P Krishnan
Director
(DIN 01099097)

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

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Statement of Profit and Loss

for the period ended March 31, 2023

Rs. in Crores

	Note	2023	2022
Income			
Revenue from Operations	20	8538.82	7932.29
Other Income	21	158.80	238.96
Total Income		**8697.62**	**8171.25**
Expenses			
Cost of Materials Consumed	22	3084.23	3195.72
Purchases of Stock-in-Trade		2273.21	1701.63
Change in Inventories of Finished Goods/Stock-in-Trade/Work-in-Progress	23	(122.27)	46.40
Employee Benefits Expense	24	394.02	348.41
Finance Costs	25	29.36	29.78
Depreciation and Amortisation Expense	26	145.90	141.75
Other Expenses	27	1586.72	1529.24
Total Expenses		**7391.17**	**6992.93**
Profit before Exceptional Items and Taxes		**1306.45**	**1178.32**
Exceptional Items (Net)	28	(39.08)	(27.23)
Profit before Tax		**1267.37**	**1151.09**
Tax Expenses	19(a)		
Current Tax		257.75	130.09
Deferred Tax		59.55	135.25
		317.30	**265.34**
Profit for the year		**950.07**	**885.75**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		18.39	30.15
Changes in fair valuation of equity instruments		12.05	4.98
		30.44	**35.13**
Tax Impact on above items		(6.66)	(9.06)
		23.78	**26.07**
Items that will be reclassified to profit or loss			
Gains/(loss) on effective portion of cash flow hedges		0.26	(1.65)
Tax Impact on above items		(0.06)	0.41
		0.20	**(1.24)**
Total Other Comprehensive Income, net off tax for the year		**23.98**	**24.83**
Total Comprehensive Income for the year		**974.05**	**910.58**
Earnings per share	33		
Equity share of nominal value Re. 1 each			
Basic		10.27	9.61
Diluted		10.27	9.61

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

In terms of our report attached
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Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Statement of Changes in Equity

for the year ended March 31,2023

Equity Share Capital and Other Equity (Refer Note 13)

Rs. in Crores

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, 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 24)							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**
Profit for the year								950.07			**950.07**
Other Comprehensive Income								13.76	0.20	10.02	**23.98**
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**963.83**	**0.20**	**10.02**	**974.05**
Shares issued during the year (Refer Note 40B)	0.74		570.06								**570.06**
Share - based payments (Refer Note 24)							4.04				**4.04**
Transaction with owners in their capacity as owners:											
Dividends								(557.54)			**(557.54)**
Transfer to Reserves											**-**
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income								2.88		(2.88)	**-**
Balance as at 31 March, 2023	**92.90**	**15.79**	**7000.93**	**1.00**	**21.86**	**1143.31**	**4.50**	**4447.93**	**(0.21)**	**25.25**	**12660.36**

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, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

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(DIN 07194259)

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Statement of Cash Flow

for the year ended March 31, 2023

Rs. in Crores

	2023		2022	
A. Cash Flow from Operating Activities				
Net Profit before Tax		**1267.37**		**1151.09**
Adjusted for :				
Depreciation and Amortisation	145.90		141.75	
Finance Cost	29.36		29.78	
Dividend Income	(51.32)		(145.97)	
Profit on sale of Current Investments (net)	(19.18)		(7.39)	
Fair value movement in Financial instruments at fair value through profit and loss	3.96		(13.49)	
Interest Income	(90.51)		(71.95)	
Unrealised Foreign Exchange (Gain) / Loss	(0.16)		(0.03)	
Share based payment to employees	3.66		0.46	
(Profit) / Loss on sale of Property, Plant & Equipment (net)	(1.70)		3.27	
Exceptional Items	39.08		27.23	
		59.09		**(36.34)**
Operating Profit before working capital changes		**1326.46**		**1114.75**
Adjustments for :				
Trade Receivables and Other Assets	(149.26)		(60.59)	
Inventories	(128.66)		136.43	
Trade Payables and Other Liabilities	216.45		110.83	
		(61.47)		**186.67**
Cash generated from/(used in) Operations		**1264.99**		**1301.42**
Direct Taxes paid (net)	(245.72)		(143.10)	
		(245.72)		**(143.10)**
Net Cash from/(used in) Operating Activities		**1019.27**		**1158.32**
B. Cash Flow from Investing Activities				
Payment for Property, Plant and Equipment including Intangible Assets	(85.99)		(93.25)	
Sale of Property, Plant and Equipment	3.62		4.40	
Sale of Non Current Investments carried at fair value through OCI	3.80		1.05	
Acquisition of Subsidiaries	-		(465.00)	
Investment in Joint Venture	(100.00)		(86.00)	
Investment in Associate	(50.00)		(150.00)	
Investment in Subsidiaries	(90.39)		(45.13)	
Dividend Income received	51.32		145.97	
Interest Income received	81.11		64.35	
(Purchase) / Sale of Current Investments (net)	(379.13)		138.22	
Purchase of Government securities	(96.14)		-	
Fixed Deposits Placed	(1278.04)		(1557.40)	
Fixed Deposits Redeemed	1209.00		1526.48	
Inter Corporate Deposits and Loans Placed	(1004.00)		(728.75)	
Inter Corporate Deposits and Loans Redeemed	1133.50		180.75	
Net cash from / (used in) Investing Activities		**(601.34)**		**(1064.31)**

Statement of Cash Flow

for the year ended March 31, 2023

Rs. in Crores

	2023	2022
C. Cash Flow from Financing Activities		
Proceeds from / (Repayment of) Short term borrowings (net)	39.50	-
Payment of Lease Liabilities	(30.05)	(31.21)
Dividend paid	(557.54)	(373.23)
Finance Cost paid	(19.71)	(20.33)
Refund of Dividend Distribution Tax paid in an earlier year	-	13.42
Net Cash from / (used in) Financing Activities	**(567.80)**	**(411.35)**
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	**(149.87)**	**(317.34)**
D. Cash and Cash Equivalents		
Opening Balance of Cash and Cash Equivalents	327.40	644.74
Balances at the end of the year	**177.53**	**327.40**

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
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Firm's Registration No. 117366W/W-100018

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, April 25, 2023

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Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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, 2023 were approved for issue by Company's Board of Directors on April 25, 2023.

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.

(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 Equipment	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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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.

(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.

Cost incurred on assets under development are disclosed under Investment Property under development and not depreciated till asset is ready to use.

(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.

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/ Website

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. 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.

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

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 8 years. Website costs are amortised over their estimated useful lives 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 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 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 and in the case of financial assets not recorded at fair value through profit or loss at 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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Investments in Subsidiaries, Associates and Joint Venture:

Investments in Subsidiaries, Associates and Joint Venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and 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 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.

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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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 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.

(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/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 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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(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 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 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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(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 maybe 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 (net of variable consideration) allocated to that performance obligation. The transaction price of the goods and services to a customer is based on the price specified in the contract and is net of variable consideration on account of estimated sales incentives / discounts offered by the Company. 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 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 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 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

- 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

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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 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)

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)

2.4 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

3. PROPERTY, PLANT AND EQUIPMENT

Rs. in Crores

	Land @	Buildings @	Plant & Equipment @	Furniture, Fixtures & Office Equipment	Motor Vehicles	Total
Cost						
As at April 1, 2021	**7.37**	**66.84**	**359.09**	**66.48**	**4.63**	**504.41**
Additions	-	12.98	54.85	13.64	0.51	81.98
Disposals	-	(0.19)	(12.14)	(7.33)	(0.05)	(19.71)
As at March 31, 2022	**7.37**	**79.63**	**401.80**	**72.79**	**5.09**	**566.68**
Additions	-	1.71	22.00	15.28	0.12	39.11
Disposals	-	(1.04)	(8.25)	(2.12)	(0.65)	(12.06)
As at March 31, 2023	**7.37**	**80.30**	**415.55**	**85.95**	**4.56**	**593.73**
Accumulated depreciation						
As at 1 April 2021	**-**	**20.53**	**182.65**	**39.21**	**3.72**	**246.11**
Depreciation expense	-	1.88	27.99	5.61	0.32	35.80
Disposals	-	(0.05)	(9.11)	(2.95)	(0.05)	(12.16)
As at March 31, 2022	**-**	**22.36**	**201.53**	**41.87**	**3.99**	**269.75**
Depreciation expense	-	2.03	23.95	6.19	0.23	32.41
Disposals	-	(0.39)	(7.51)	(2.03)	(0.61)	(10.55)
As at March 31, 2023	**-**	**24.00**	**217.97**	**46.03**	**3.61**	**291.61**
Net carrying value						
As at March 31, 2022	**7.37**	**57.27**	**200.27**	**30.92**	**1.10**	**296.93**
As at March 31, 2023	**7.37**	**56.30**	**197.58**	**39.92**	**0.95**	**302.12**

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).

Capital work-in-progress ageing schedule for the year ended March 31, 2023 and March 31,2022:

Rs. in Crores

Particulars	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					
As at March 31, 2023	13.89	-	-	-	13.89
As at March 31, 2022	2.58	-	-	-	2.58

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to the Standalone Financial Statements for the year ended March 31, 2023

4. RIGHT OF USE ASSETS

Rs. in Crores

	Building	Plant & machinery	Motor Vehicles	Total
Net Carrying Value				
As at April 1, 2021	**203.41**	**19.72**	**1.51**	**224.64**
Additions	25.90	9.55	1.51	36.96
Disposals	(12.74)	(0.12)	-	(12.86)
Depreciation expense	(31.63)	(5.10)	(1.04)	(37.77)
As at March 31, 2022	**184.94**	**24.05**	**1.98**	**210.97**
Additions	26.52	9.50	0.67	36.69
Disposals	(4.08)	(0.20)	(0.01)	(4.29)
Depreciation expense	(30.92)	(5.77)	(0.98)	(37.67)
As at March 31, 2023	**176.46**	**27.58**	**1.66**	**205.70**

5. GOODWILL AND OTHER INTANGIBLE ASSETS

Rs. in Crores

	Goodwill	Capitalised Software	Patent/ Knowhow	Brand *	Distribution Network	Total Other Intangible Assets
Cost						
As at April 1, 2021	**3578.51**	**95.87**	**17.63**	**2289.45**	**270.46**	**2673.41**
Additions	-	36.08	-	-	-	36.08
Disposals/ Adjustments	-	(0.78)	-	-	-	(0.78)
As at March 31, 2022	**3578.51**	**131.17**	**17.63**	**2289.45**	**270.46**	**2708.71**
Additions	-	61.41	-	-	-	61.41
Disposals/ Adjustments	-	(0.14)	-	-	-	(0.14)
As at March 31, 2023	**3578.51**	**192.44**	**17.63**	**2289.45**	**270.46**	**2769.98**
Accumulated Amortisation						
As at April 1, 2021	**-**	**49.12**	**17.10**	**29.67**	**67.62**	**163.51**
Amortisation expense	-	17.06	0.53	16.78	33.81	68.18
Disposals/ Adjustments	-	(0.62)	-	-	-	(0.62)
As at March 31, 2022	**-**	**65.56**	**17.63**	**46.45**	**101.43**	**231.07**
Amortisation expense	-	25.24	-	16.78	33.80	75.82
Disposals/ Adjustments	-	(0.13)	-	-	-	(0.13)
As at March 31, 2023	**-**	**90.67**	**17.63**	**63.23**	**135.23**	**306.76**
Net carrying value						
As at March 31, 2022	**3578.51**	**65.61**	**-**	**2243.00**	**169.03**	**2477.64**
As at March 31, 2023	**3578.51**	**101.77**	**-**	**2226.22**	**135.23**	**2463.22**

* 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, 2023

Intangible asset under development - Ageing schedule:

Rs. in Crores

Particulars	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					
As at March 31, 2023	8.45	-	-	-	8.45
As at March 31, 2022	37.18	-	-	-	37.18

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

	2023	2022
India Branded Business	3578.51	3578.51
Total	**3578.51**	**3578.51**

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

Rs in Crores

	2023	2022
India Branded Business	2093.33	2093.33
Total	**2093.33**	**2093.33**

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	15.95%	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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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.

6. INVESTMENTS

Rs in Crores

	2023	2022
Non-current Investments		
Quoted Equity Instruments	187.17	181.42
Unquoted Equity Instruments	3599.06	2835.36
Unquoted Preference Shares	398.02	351.98
Unquoted Debentures (Refer footnote f)	0.00	0.00
Unquoted Government Securities (Refer footnote f)	0.00	0.00
	4184.25	**3368.76**
Current Investments		
Mutual Funds - Unquoted (Carried at Fair Value through Profit & Loss) - (Refer footnote j)	555.25	156.94
Unquoted Government Securities (carried at amortized cost)	96.14	-
	651.39	**156.94**
Total Investments	**4835.64**	**3525.70**

Rs in Crores

	2023	2022
Market Value of Quoted Investments	2236.20	2345.86
Aggregate amount of Unquoted Investments	4648.47	3344.28
Aggregate amount of Quoted Investments	187.17	181.42
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	
		2023	2022	2023	2022
Tata Investment Corporation Ltd	Rs. 10	146872	146872	25.66	19.91
SBI Home Finance Ltd. (under liquidation) - (Refer foot note i)	Rs. 10	100000	100000	-	-
				25.66	**19.91**

Carried at Cost:

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
Investment in Subsidiary					
Tata Coffee Ltd (Refer footnote a)	Rs. 1	107359820	107359820	161.51	161.51
				161.51	161.51
Total Quoted Equity Instruments				**187.17**	**181.42**

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Unquoted Equity Instruments

Carried at fair value through Other Comprehensive Income:

	Face Value	Nos. 2023	Nos. 2022	Rs. in Crores 2023	Rs. in Crores 2022
Tata Sons Pvt. Ltd. (Refer footnote b)	Rs. 1000	1755	1755	9.75	9.75
Tata Capital Ltd.	Rs. 10	613598	613598	8.29	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	1.44	1.22
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	0	200000	-	2.80
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	0.59	0.25
IFCI Venture Capital Funds Ltd	Rs. 10	250000	250000	0.58	1.05
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)					
				136.54	**134.03**

Unquoted Equity Instruments

Carried at cost

		Face Value	Nos. 2023	Nos. 2022	Rs. in Crores 2023	Rs. in Crores 2022
Investment in Subsidiaries:						
Tata Tea Extractions Inc	US$	1	14000000	14000000	59.80	59.80
Tata Consumer Products UK Group Limited (Refer footnote k)	GBP	1	94538083	70666290	1074.39	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 Soulfull Private Limited (Refer footnote h)	Rs.	10	925312	755526	201.81	155.80
Tata Smartfoodz Limited (Refer footnote h)	Rs.	10	539591335	498084304	472.08	430.58
TCPL Beverages and Foods Limited (Refer footnote g)	Rs.	10	50000	50000	0.05	0.05
TRIL Constructions Limited (Refer footnote e)	Rs.	10	11748148	11748148	11.75	11.75
Investment in Associates :						
Amalgamated Plantations Pvt Ltd.	Rs.	10	61024400	61024400	82.08	82.08
Kanan Devan Hills Plantations Company (Pvt.) Ltd.	Rs.	10	3976563	3976563	12.33	12.33
Investment in Joint Ventures :						
Tata Starbucks Private Limited (Refer footnote c)	Rs.	10	572300000	472300000	572.30	472.30
					3462.52	2701.33
Total Unquoted Equity Instruments					**3599.06**	**2835.36**

Notes
to the Standalone Financial Statements for the year ended March 31, 2023

Unquoted Preference Shares

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
Investment in Subsidiaries:					
TCPL Beverages and Foods Limited (Refer footnote g)	Rs. 10	7500000	7500000	7.50	7.50
TRIL Constructions Limited (Refer footnote e)	Rs. 10	138751852	138751852	138.75	138.75
Investment in Associates:					
Amalgamated Plantations Pvt Ltd. (Refer footnote d)	Rs. 10	267000000	217000000	251.77	205.73
Others:					
Thakurbari Club Ltd (Cost Re 1) (Refer footnote f)	Rs. 100	26	26	0.00	0.00
Total Unquoted Preference Shares				**398.02**	**351.98**

Unquoted Debentures & Government Securities

Carried at fair value through Other Comprehensive Income

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
Unquoted Debentures					
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
				0.00	0.00
Unquoted Government Securities:					
W.B. Estates Acquisition Compensation Bond (Refer footnote f)				0.00	0.00
				0.00	**0.00**

a) Inclusive of Rs. 21.86 Crores (Rs. 21.86 Crores) kept in Revaluation Reserve.

b) 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.

c) During the financial year 2022-23, the Company has invested an amount of Rs. 100 Crores towards equity capital in Tata Starbucks Private Limited which is a 50:50 joint venture.

d) Investment in preference shares of Amalgamated Plantations Pvt. Ltd. subscribed in an earlier year of Rs 50.14 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 and 2022-23 of Rs 201.63 Crores[200000000 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.

e) Preference shares of TRIL Constructions Limited 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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

g) Preference shares of TCPL Beverages & Foods Limited (TBFL) are Optionally Convertible non-cumulative and redeemable preference shares with the term of 8 years.

h) During the financial year, the Company has invested Rs 41.50 Crores in Tata SmartFoodz Limited and Rs 46.01 Crores in Tata Consumer Soulfull Private 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)

k) Refer Note 40B for investment in Tata Consumer Products UK group limited.

7. LOANS

Rs. in Crores

	2023	2022
Non-Current		
(Secured and considered good)		
Inter Corporate Loan to related party$	11.25	13.00
(Unsecured and considered good)		
Employee Loans and Advances	1.11	0.80
	12.36	**13.80**
Current		
(Secured and considered good)		
Inter Corporate Loan to related party$	5.00	3.50
Inter Corporate Deposits *	-	1.25
(Unsecured and considered good)		
Inter Corporate Deposits ^	385.00	469.75
Inter Corporate Loan to related party^^	40.00	84.75
Employee Loans and Advances	0.56	0.45
	430.56	**559.70**
Total Loans	**442.92**	**573.50**

$ Secured by mortgage of rights on immovable assets. Loan given during the year for general corporate purposes – Kanan Devan Hills Plantations Company (Pvt.) Ltd. Rs 4 Crores (Rs NIL Crores).

* Secured by mortgage of land

^ Outstanding with financial institutions for short duration and yield fixed interest rate. Loans given during the year for general corporate purposes – HDFC Limited Rs 315 Crores (Rs 295 Crores), LIC Housing Finance Limited Rs 70 Crores (Rs 124.75 Crores), Bajaj Finance Limited Rs 375 Crores (Rs 605 Crores).

^^ Outstanding with Tata Smartfoodz Limited - Rs 25 Crores and Infiniti Retail Limited Rs 15 Crores for short duration and yield fixed interest rate. Loans given during the year for general corporate purposes – Tata Smartfoodz Limited Rs 25 Crores (Rs 49 Crores), Infiniti Retail Limited Rs 215 Crores (Rs 190 Crores) and Piem Hotel Limited Rs NIL (Rs 20 Crores).

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

8. OTHER FINANCIAL ASSETS

Rs. in Crores

	2023	2022
Non-Current		
(Unsecured and considered good, unless otherwise stated)		
Security Deposits	29.68	27.53
Lease Receivable	0.89	-
Other Receivables #	84.21	76.91
Considered Doubtful		
Security Deposits	0.29	0.29
Less: Provision for Doubtful Deposits	(0.29)	(0.29)
	114.78	**104.44**

	2023	2022
Current		
(Unsecured and considered good, unless otherwise stated)		
Due from Related Parties	25.82	11.12
Insurance Claims Receivable	0.24	5.95
Lease Receivable	0.42	0.36
Interest Accrued	28.62	19.22
Government Incentive Receivable	22.19	12.10
	77.29	**48.75**
Total Other Financial Assets	**192.07**	**153.19**

Represents Contingent Consideration in connection with acquisition of Tata Consumer Soulfull 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.

9. OTHER ASSETS

Rs. in Crores

	2023	2022
Non-Current		
(Unsecured and Considered Good, unless otherwise stated)		
Capital Advances	3.49	1.35
Property Rights Pending Development #	70.50	70.50
Taxes Receivable	15.05	14.42
	89.04	**86.27**
Current		
Prepaid Expenses	53.39	47.59
Taxes Receivable	270.14	208.19
Other Trade Advances	16.79	23.68
Considered Doubtful		
Other Advances for Supply of Goods and Services	0.53	0.53
Less: Provision for Advances	(0.53)	(0.53)
	340.32	**279.46**
Total Other Assets	**429.36**	**365.73**

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, 2023

10. INVENTORIES

(At lower of cost and net realisable value)

Rs. in Crores

	2023	2022
Raw Material		
Tea	813.36	819.22
Packing Materials	70.31	61.61
Others	23.64	20.26
	907.31	**901.09**
Finished Goods		
Tea	227.54	215.61
Others	2.11	1.59
	229.65	**217.20**
Traded Goods		
Salt and other items relating to Food Business	241.89	137.08
Others	11.15	6.23
	253.04	**143.31**
Stores and Spare Parts	**10.60**	**10.34**
Total Inventories	**1400.60**	**1271.94**

Raw material includes in transit tea inventory of Rs. 3.89 Crores (Rs. 3.42 Crores).

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

During the period ended March 31, 2023- Rs. 27.53 Crores (Rs. 23.99 Crores) was charged to statement of profit and loss for slow moving and obsolete inventories.

11. TRADE RECEIVABLES

Rs. in Crores

	2023	2022
Trade Receivables considered good - Secured	0.05	0.10
Trade Receivables considered good - Unsecured	341.60	281.66
Trade Receivables - Credit Impaired (Refer note 38)	34.92	34.92
	376.57	**316.68**
Less: Allowance for Impairment	(34.92)	(34.92)
Total Trade Receivables	**341.65**	**281.76**

Secured receivables are backed by security deposits.

Includes due from Related Parties - Rs. 141.42 Crores (Rs. 109.28 Crores).

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Ageing of Trade Receivables: Rs. in Crores

Particulars	Not overdue	Outstanding for the following periods from due date of payment: Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
As at March 31, 2023							
Undisputed Trade receivables – considered good- Secured	0.05	-	-	-	-	-	0.05
Undisputed Trade receivables – considered good- Unsecured	189.13	132.04	2.70	17.73	-	-	341.60
Undisputed Trade Receivables – credit impaired	-	-	1.19	3.54	16.64	2.74	24.11
Disputed Trade Receivables – credit impaired	-	-	-	-	10.81	-	10.81
	189.18	**132.04**	**3.89**	**21.27**	**27.45**	**2.74**	**376.57**
Less : Allowance for credit loss							(34.92)
Total Trade Receivables							**341.65**
As at March 31, 2022							
Undisputed Trade receivables – considered good- Secured	-	0.10	-	-	-	-	0.10
Undisputed Trade receivables – considered good- Unsecured	145.60	109.22	12.87	13.97	-	-	281.66
Undisputed Trade Receivables – credit impaired	-	-	2.39	18.79	1.35	1.58	24.11
Disputed Trade Receivables – credit impaired	-	-	-	10.81	-	-	10.81
Total	**145.60**	**109.32**	**15.26**	**43.57**	**1.35**	**1.58**	**316.68**
Less : Allowance for credit loss							(34.92)
Total Trade Receivables							**281.76**

12. CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES

Rs. in Crores

	2023	2022
Cash and Cash Equivalents		
Balances with banks		
Current Account	4.51	3.70
Deposit Account	173.00	323.66
Cash/Cheques in hand	0.02	0.04
	177.53	**327.40**
Other Bank Balances		
Unclaimed Dividend Account	12.57	10.93
Deposit exceeding 3 months	1057.68	990.28
	1070.25	**1001.21**

13. EQUITY SHARE CAPITAL AND OTHER EQUITY

(a) Equity Share Capital

Rs. in Crores

	2023	2022
Authorised		
1250000000 (1250000000) Equity Shares of Re 1 each	125.00	125.00
Issued, Subscribed and Paid-Up		
929011650 (921551715) Equity Shares of Re 1 each, fully paid-up	92.90	92.16
	92.90	**92.16**

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

i) The reconciliation of the number of shares as at March 31, 2023 is set out below:

Rs. in Crores

Particulars	2023	2022
Number of shares as at the beginning of the year	921551715	921551715
Add: Shares issued during the year pursuant to the Scheme of Arrangement	7459935	-
Number of shares as at the end of the year	929011650	921551715

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, 2023) pursuant to contracts without payment being received in cash

7459935 equity shares were issued during financial year 2022-23, consequent to and as part of acquisition of TCP UK Group Limited (Refer note 40B).

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, 2023 is set out as below :

Name of shareholder	2023 No. of shares % of holding	2022 No. of shares % of holding
Tata Sons Private Limited	270557128	270557128
	29.12%	29.36%
Life Insurance Corporation Of India	63538449	
	6.84%	

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

Promoter name	% of total shares	% change during the year
Tata Sons Private Limited		
As at March 31, 2023	29.12%	-0.24%
As at March 31, 2022	29.36%	-

vi) Dividend paid

Rs. in Crores

	2023	2022
Dividend Paid (Rs. in Crores)	557.54	373.23
Dividend per share (Rs.)	6.05	4.05

The Board of Directors in its meeting held on April 25, 2023 have recommended a final dividend payment of Rs 8.45 per share for the financial year ended March 31, 2023.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(b) Other Equity

Rs. in Crores

	2023	2022
Capital Reserve	15.79	15.79
Securities Premium Account	7000.93	6430.87
Contingency Reserve	1.00	1.00
Revaluation Reserve	21.86	21.86
General Reserve	1143.31	1143.31
Retained Earnings	4447.93	4038.76
Share Based Payment Reserve	4.50	0.46
Other Comprehensive Income		
- Effective portion of Cash Flow Hedge	(0.21)	(0.41)
- Fair value gains/(loss) on Equity Instruments	25.25	18.11
Total Other Equity	**12660.36**	**11669.75**

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 6 – 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.

14. BORROWINGS

Rs. in Crores

	2023	2022
Current		
Loan From Banks - Unsecured		
Working Capital Facilities	39.50	-
Total Borrowings	**39.50**	**-**

Note: Change in liabilities are on account of financing activities which have been disclosed in the statement of cash flow.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

15. OTHER FINANCIAL LIABILITIES

Rs. in Crores

	2023	2022
Current		
Unpaid Dividends *	12.57	10.93
Derivative Financial Liabilities	0.30	0.54
Security Deposits from Customers	0.05	1.64
Others	61.32	64.57
Total Financial Liabilities	**74.24**	**77.68**

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

16. PROVISIONS

Rs. in Crores

	2023	2022
Non-Current		
Employee Benefits	130.11	135.32
	130.11	**135.32**
Current		
Employee Benefits	24.32	30.45
Other Provisions	32.50	32.29
	56.82	**62.74**
Total Provisions	**186.93**	**198.06**

Movement in Other Provisions - Current

Rs. in Crores

Provision for Trade Obligations	2023	2022
Opening balance	1.74	1.74
Provision during the year	-	-
Amount written back during the year	-	-
Closing balance	**1.74**	**1.74**

Rs. in Crores

Business Restructuring and Reorganisation Costs	2023	2022
Opening balance	30.55	45.37
Provision during the year	19.72	7.69
Amount paid/adjusted during the year	(19.51)	(22.51)
Closing balance	**30.76**	**30.55**
Total Closing Balance	**32.50**	**32.29**

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

17. TRADE PAYABLES

Rs. in Crores

	2023	2022
Total outstanding dues of creditors other than Micro enterprises and Small enterprises*	1497.30	1,234.10
Total outstanding dues of Micro enterprises and Small enterprises (Refer Note 31)	20.87	29.64
	1518.17	**1263.74**

* Includes due to Related Parties - Rs. 47.35 Crores (Rs. 52.85 Crores).

Ageing of Trade Payables:

Rs. in Crores

Particulars	Not Overdue	Outstanding for the following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023						
MSME	18.96	1.91	-	-	-	20.87
Others	549.48	932.19	8.79			1490.46
Disputed dues - Others	-		-	-	6.84	6.84
Total	**568.44**	**934.10**	**8.79**	**-**	**6.84**	**1518.17**
As at March 31, 2022						
MSME	22.54	7.10	-	-	-	29.64
Others	485.62	734.65	6.99	-	-	1227.26
Disputed dues - Others		-	-	-	6.84	6.84
Total	**508.16**	**741.75**	**6.99**	**-**	**6.84**	**1263.74**

18. OTHER CURRENT LIABILITIES

Rs. in Crores

	2023	2022
Current		
Statutory Liabilities	28.04	23.00
Advance from Customers	21.76	27.69
Others	46.01	45.97
Total Other Current Liabilities	**95.81**	**96.66**

19. TAXATION

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

Rs. in Crores

	2023	2022
Current tax		
Current year	262.24	132.83
Adjustment relating to earlier years	(4.49)	(2.74)
	257.75	130.09
Deferred tax charge/(credit)	59.55	135.25
Income Tax expense for the year	**317.30**	**265.34**

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

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

b) Reconciliation of effective tax rate:

Rs. in Crores

	2023	2022
Profit before tax	**1267.37**	**1151.09**
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 25.17%)	318.97	289.71
Tax effect of:		
Non-deductible tax expenses	10.37	4.08
Tax-exempt income	(11.60)	(35.67)
Tax reversals of earlier years	(4.49)	(2.74)
Non-creditable taxes	4.05	9.96
	317.30	**265.34**

c) Non-Current Tax Asset (Net) :

Rs. in Crores

	2023	2022
Income Tax	129.78	121.12
Dividend Distribution Tax credit	0.85	0.85
	130.63	**121.97**

d) Current Tax Liability (Net) :

Rs. in Crores

	2023	2022
Income Tax	27.93	5.13
	27.93	**5.13**

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

Rs. in Crores

	2023	2022
Deferred Tax Asset	57.50	58.83
Deferred Tax Liability	(632.88)	(570.05)
Net Deferred Tax Asset/(Liability)	**(575.38)**	**(511.22)**

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
As at 1 April 2021	**(431.51)**	**(1.49)**	**9.63**	**46.20**	**9.62**	**(367.55)**
(Charged)/credited:						
- to Statement of profit or loss	(136.52)	0.30	(0.84)	1.66	0.15	**(135.25)**
- to Other comprehensive income	-	(0.83)	-	(7.59)	-	**(8.42)**
As at 31 March 2022	**(568.03)**	**(2.02)**	**8.79**	**40.27**	**9.77**	**(511.22)**

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Rs. in Crores

	Depreciation and amortisation (including unabsorbed depreciation)	Other Liabilities	Provision for doubtful debts/ advances	Employee Benefits/ Trade Obligations	Other Assets	Total
(Charged)/credited:						
- to Statement of profit or loss	(59.57)	(1.88)		0.50	1.40	**(59.55)**
- to Other comprehensive income	-	(1.38)	-	(3.23)	-	**(4.61)**
As at 31 March 2023	**(627.60)**	**(5.28)**	**8.79**	**37.54**	**11.17**	**(575.38)**

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 April 1, 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)

20. REVENUE FROM OPERATIONS

Rs. in Crores

	2023	2022
Revenue from Contracts with Customers		
Revenue from sale of goods	8408.27	7846.07
	8408.27	**7846.07**
Other Operating Revenues		
Government Incentive	20.63	4.48
Royalty Income	33.19	19.08
Management Service Fees	40.26	34.45
Miscellaneous Receipts	36.47	28.21
	130.55	**86.22**
	8538.82	**7932.29**

21. OTHER INCOME

Rs. in Crores

	2023	2022
Interest Income		
- Interest Income on Financial assets carried at amortised cost	85.10	65.57
- Interest Income on Income Tax refund	5.41	6.38
Dividend Income		
- Non-Current Investments designated at fair value through other comprehensive income	2.57	2.12
- Investment in Subsidiaries and Associates carried at cost	48.75	143.85
Gains on Current Investments (net)	19.18	7.39
Others		
- Other non operating income	1.75	0.16
- Fair Value movement in Financial Instruments designated at Fair Value through profit or loss	(3.96)	13.49
	158.80	**238.96**

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

22. COST OF MATERIALS CONSUMED

Rs. in Crores

	2023	2022
Tea		
Opening Stock	819.22	934.99
Add: Purchases	2442.64	2507.65
Less: Closing Stock	813.36	819.22
	2448.50	**2623.42**
Green Leaf	**24.85**	**29.52**
Packing Material		
Opening Stock	61.61	50.92
Add: Purchases	487.23	442.10
Less: Closing Stock	70.31	61.61
	478.53	**431.41**
Others	132.35	111.37
	3084.23	**3195.72**

23. CHANGES IN INVENTORY OF FINISHED GOODS/STOCK-IN-TRADE/WORK-IN-PROGRESS

Rs. in Crores

	2023	2022
Opening Stock		
Tea	215.52	286.49
Salt and other food items	137.08	109.99
Others	7.82	10.34
	360.42	**406.82**
Closing Stock		
Tea	227.54	215.52
Salt and other food items	241.89	137.08
Others	13.26	7.82
	482.69	**360.42**
	(122.27)	**46.40**

24. EMPLOYEE BENEFITS EXPENSE

Rs. in Crores

	2023	2022
Salaries, Wages and Bonus *	341.08	302.02
Contribution to Provident Fund and other Funds	23.77	21.25
Workmen and Staff Welfare Expenses	29.17	25.14
	394.02	**348.41**

* Includes Rs 3.66 Crores (Rs 0.46 Crores) towards share based payment incentives and Rs 0.45 Crores (Rs. 0.28 Crores) expenses on Corporate Social Responsibility (CSR).

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Employee Shared based payment incentives

The Company has share based incentives for certain employees 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 and will be settled through equity shares only. 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 performance share units at an exercise price of Re 1 per shares. Shares granted will vest after 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.

Reconciliation of Performance Share Units (Numbers)	March 31, 2023	March 31, 2022
Performance Shares Units outstanding at the beginning of the year	65780	-
Granted during the year	113545	65780
Forfieted/expired during the year	(14645)	
Exercised during the year	-	-
Outstanding at the end of the year	**164680**	**65780**
Remaining contractual life	22-29 months	34 months

During the year, the performance share units were granted on May 04, 2022 and August 10, 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 8.59 Crores (Rs 5.36 crores) which will be recognised in the Statement of Profit and Loss over the vesting period.

25. FINANCE COSTS

Rs. in Crores

	2023	2022
Interest expense on Financial liabilities measured at amortised cost	0.49	0.12
Interest expense on Lease Liabilities	19.71	20.21
Net interest on defined benefit plans	9.16	9.45
	29.36	**29.78**

26. DEPRECIATION AND AMORTISATION EXPENSE

Rs. in Crores

	2023	2022
Depreciation on Property, Plant and Equipment	32.41	35.80
Depreciation on Right of Use Asset	37.67	37.77
Amortisation of Intangible Assets	75.82	68.18
	145.90	**141.75**

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

27. OTHER EXPENSES

Rs. in Crores

	2023	2022
Manufacturing and Contract Packing Expenses	173.29	153.61
Rent	67.62	65.46
Freight	388.69	404.26
Management Service Fees #	9.51	14.00
Professional and Legal fees	118.96	104.12
Advertisement & Sales Charge	527.22	511.25
Miscellaneous Expenses ^	301.43	276.54
	1586.72	**1529.24**

Includes fee for technical support services Rs. 3.61 Crores (Rs. 2.99 Crores) and for other support service Rs. 5.90 Crores (Rs. 11.01 Crores)

^ Includes exchange gain Rs. 3.35 Crores (Rs. 5.19 Crores exchange loss in PY), expense on CSR Rs. 15.79 Crores (Rs. 13.26 Crores).

28. EXCEPTIONAL ITEMS (NET)

Rs. in Crores

	2023	2022
Expenditure		
Expenses in connection with acquistion of business	3.43	1.80
Business restructure and reorganization Costs	31.82	22.23
Expenses in connection with the proposed Scheme of Arrangement	3.83	3.20
	39.08	**27.23**

29. CAPITAL COMMITMENT

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2023 aggregated Rs. 12.41 Crores (Rs. 20.43 Crores).

(b) Commitment towards Share Capital contributions in Joint Ventures and Associates - Rs. 25.00 Crores (Rs. 171.00 Crores)

30. CONTINGENCIES

(a) Statutory and other Commercial Claims:

Rs. in Crores

		Gross	Net of Estimated Tax
(i)	Taxes, Statutory Duties/ Levies etc.	**21.97**	**20.04**
		(22.59)	(20.67)
(ii)	Commercial and other Claims	**2.70**	**2.43**
		(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, 2023

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, 2023.

32. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Rs. in Crores

		2023	2022
1	Amount required to be spent during the year	16.59	13.32
2	Opening Surplus balance if any	0.52	0.30
3	Amount of expenditure incurred on		
	i) Construction/acquisition of Assets	-	-
	ii) On purpose other than (i) above	16.24	13.54
4	Shortfall/(Surplus) at the end of the year	(0.17)	(0.52)
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 communites during Covid	
8	Detail of Related Party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

33. EARNINGS PER SHARE

	2023	2022
Profit after taxation (Rs. in Crores)	950.07	885.75
Weighted average numbers of Equity Shares Outstanding	924862700	921551715
Effect of dilutive equivalent shares - Performance share units outstanding	164414	15679
Weighted average number of shares outstanding during the year	925027114	921567394
Earnings Per Share (Rs.)		
Basic	10.27	9.61
Diluted	10.27	9.61

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

Rs. in Crores

	2023	2022
Capital Expenditure	5.36	1.78
Revenue Expenditure	23.04	17.15
	28.40	**18.93**

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

35. LEASE

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, 2023

Rs. in Crores

	2023	2022
Current Lease Liability	35.66	29.71
Non-Current Lease Liability	201.45	205.19
Total Lease Liability	**237.11**	**234.90**

Contractual maturities of lease liabilities on an undiscounted basis:

Rs. in Crores

	2023	2022
Less than one year	54.43	48.33
One to two years	47.94	45.98
Two to five years	95.86	95.49
More than five years	161.87	181.86
Total	**360.10**	**371.66**

Amount Recognised in Statement of Profit and Loss

Rs. in Crores

	2023	2022
Expenses relating to Short-term Lease	67.27	65.32
Expenses relating to leases of low value assets	0.35	0.14

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

	2023	2022
Balance at the beginning of the period	0.36	0.80
Additions to net investment during the period	1.41	-
Interest Income accrued during the period	0.03	0.05
Lease Receipts	(0.49)	(0.49)
Balance at the end of the period	**1.31**	**0.36**

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to the Standalone Financial Statements for the year ended March 31, 2023

Contractual maturities of net investment in sublease of right of use asset on an undiscounted basis:

Rs. in Crores

	2023	2022
Less than 1 year	0.51	0.37
1 to 2 years	0.54	-
2 to 3 years	0.41	-
Total	**1.46**	**0.37**

Finance income on the net investment in the sublease recognised in the financial statement is Rs 0.03 crores (Rs 0.05 Crores).

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
Drassington Limited
Teapigs Limited
Teapigs US LLC
Stansand Limited
Stansand (Brokers) Limited
Stansand (Africa) Limited
Stansand (Central Africa) Limited
Tata Consumer Products Polska sp.zo.o
Tata Consumer Products US Holdings Inc.
Tata Waters LLC
Tetley USA Inc.
Good Earth Corporation.
Good Earth Teas Inc.
Tata Consumer Products Canada Inc.
Tata Consumer Products Australia Pty Limited
Earth Rules Pty Limited
Tata Global Beverages Investments Limited
Campestres Holdings Limited
Kahutara Holdings Limited
Suntyco Holding Limited
Onomento Co Limited

Associates

Amalgamated Plantations Private Limited
Kanan Devan Hills Plantations Company Private Limited

Joint Ventures

Tata Starbucks Private Limited

Joint Venture of Subsidiaries

Tetley ACI (Bangladesh) Ltd. (upto 8th February'2023)
Tetley Clover (Pvt) Ltd. - under liquidation
Joekels Tea Packers (Proprietary) Ltd. (upto 27th December'2022)

Key Management Personnel

Mr. Sunil D'Souza - Managing Director & CEO
Mr. L. Krishnakumar - Executive Director & Group CFO

Subsidiary and Joint Venture of Promoter Company

Ewart Investments Limited
Infiniti Retail Limited
Innovative Retail Concepts Private Limited
Super Market Grocery Supplies Private Limited
Tata 1 MG Healthcare Solutions Private Limited
Tata AIA Life Insurance Co Limited
Tata AIG General Insurance Co Limited
Tata Capital Financial Services Limited
Tata Communications Limited
Tata Consultancy Services Limited
Tata Industries Limited
Tata International West Asia DMCC
Tata Investment Corporation Limited
Tata Teleservices Limited
Tata Teleservices Maharashtra Limited

Notes
to the Standalone Financial Statements for the year ended March 31, 2023

Joekels Tea Packers (Proprietary) Limited (w.e.f 28th December '2022)

Tetley ACI (Bangladesh) Ltd. (w.e.f 9th February'2023)

Tata Consumer Products Capital Limited

Tata Coffee Limited

Consolidated Coffee Inc.

Eight O'Clock Holdings Inc.

Eight O'Clock Coffee Company

Tata Coffee Vietnam Company Limited

Tata Tea Extractions Inc.

Tata Tea Holdings Private Limited

NourishCo Beverages Limited

Tata Consumer Soulfull Private Limited

Tata SmartFoodz Limited

TRIL Constructions Limited

TCPL Beverages & Foods 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

36.B) PARTICULARS OF TRANSACTIONS ENTERED INTO WITH RELATED PARTIES FOR THE YEAR ENDED MARCH 31, 2023:

Rs. Crores

Particulars	2023	2022
Sales of Goods and Services		
Subsidiaries	283.42	227.19
Associates	0.89	2.62
Subsidiaries and Joint Ventures of Promoter	223.49	159.53
Other Operating Income		
Subsidiaries	40.83	34.46
Associates	5.26	3.60
Joint Ventures	32.62	19.08
Sale of Fixed Asset		
Subsidiaries	0.04	0.21
Joint Ventures	-	0.01
Rent Paid		
Associates	2.05	2.18
Purchase of Goods & Services		
Subsidiaries	202.89	140.09
Associates	177.68	214.33
Subsidiaries and Joint Ventures of Promoter	10.93	13.02
Other Expenses (Net)		
Subsidiaries	25.80	25.31
Associates	11.55	3.60
Promoter	24.77	21.97
Subsidiaries and Joint Ventures of Promoter	76.98	76.41

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Rs. Crores

Particulars	2023	2022
Reimbursement of Expenditure/(Income)		
Subsidiaries	(52.38)	(23.57)
Associates	(4.69)	(3.16)
Joint Ventures	(0.28)	(1.82)
Promoter	0.09	0.17
Dividend/Interest received		
Subsidiaries	49.06	144.13
Associates	1.87	2.15
Promoter	1.76	1.76
Subsidiaries and Joint Ventures of Promoter	5.36	3.38
Dividend Paid		
Promoter	163.69	109.58
Subsidiaries and Joint Ventures of Promoter	29.54	19.77
Intercorporate Loan/ Deposits Given		
Subsidiaries	25.00	49.00
Associates	4.00	-
Subsidiaries and Joint Ventures of Promoter	215.00	190.00
Intercorporate Loan/ Deposits Redeemed		
Subsidiaries	14.75	34.25
Associates	4.25	3.50
Subsidiaries and Joint Ventures of Promoter	270.00	120.00
Investment made		
Subsidiaries	87.52	68.00
Associates	50.00	150.00
Joint Ventures	100.00	86.00
Subsidiaries and Joint Ventures of Promoter	-	442.13
Directors Remuneration *		
Key Management Personnel	13.98	13.63
Contribution to Funds		
Post Employment Benefit Plans	24.21	27.08

Outstanding at the year end:	2023		2022	
	Debit	Credit	Debit	Credit
Subsidiary	163.74	4.47	108.55	9.63
Associates	9.29	4.44	11.81	5.11
Joint Ventures	2.94	-	2.55	-
Promoter	-	23.67	-	23.52
Subsidiaries and Joint Ventures of Promoter	41.02	6.32	94.05	9.90
Employment Benefit Plans	0.00	1.49	-	3.49

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

Notes
to the Standalone Financial Statements for the year ended March 31, 2023

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, 2023:

Rs. Crores

Particulars	2023	2022
Sales of Goods and Services		
Subsidiaries		
Tata Consumer Products GB Limited	120.56	90.72
Tata Tea Extractions Inc	67.51	73.51
Subsidiaries and Joint Ventures of Promoter		
Supermarket Grocery Supplies Private Limited	93.09	58.64
Innovative Retail Concepts Private Limited	130.31	100.75
Other Operating Income		
Subsidiaries		
Tata Consumer Products GB Limited	40.83	34.45
Joint Ventures		
Tata Starbucks Private Limited	32.62	19.08
Sale of Fixed Asset		
Subsidiary		
Tata Consumer Soulfull Private Limited	-	0.21
Tata Smatfoodz Limited	0.04	-
Rent Paid		
Associates		
Kanan Devan Hills Plantation Company Private Limited	0.61	0.80
Amalgamated Plantations Private Limited	1.44	1.38
Purchase of Goods & Services		
Subsidiaries		
Tata Coffee Limited	73.13	50.69
Tata Consumer Soulfull Limited	80.72	43.35
Associates		
Kanan Devan Hills Plantation Company Private Limited	75.49	85.36
Amalgamated Plantations Private Limited	102.19	128.97
Other Expenses (Net)		
Subsidiaries		
NourishCo Beverages Limited	25.80	25.31
Promoter		
Tata Sons Private Limited	24.77	21.97
Subsidiaries and Joint Ventures of Promoter		
Tata AIG General Insurance Limited	31.52	29.40
Tata Consultancy Services Limited	18.76	27.53
Tata Communications Limited	15.44	14.81
Reimbursement of Expenditure/(Income)		
Subsidiaries		
Tata Consumer Products GB Limited	-	7.74

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Rs. Crores

Particulars	2023	2022
Consolidated Coffee Inc	-	4.80
Nourishco Beverages Limited	(9.78)	(6.72)
Tata Consumer Soulfull Limited	(40.36)	(23.10)
Tata Smartfoodz Limited	-	(5.53)
Dividend/Interest received		
Subsidiaries		
Tata Coffee Limited	21.47	16.10
Consolidated Coffee Inc.	27.04	29.75
Tata Consumer Products UK Group Limited	-	37.21
Tata Consumer Products Capital Limited	-	23.65
Tata Tea Extractions Inc	-	36.67
Dividend Paid		
Promoter		
Tata Sons Private Limited	163.69	109.58
Subsidiaries and Joint Ventures of Promoter		
Tata Investment Corporation Limited	26.79	17.93
Intercorporate Loan/ Deposits Given		
Subsidiaries		
Tata Smartfoodz Limited	25.00	49.00
Subsidiaries and Joint Ventures of Promoter		
Infiniti Retail Limited	215.00	190.00
Intercorporate Loan/ Deposits Redeemed		
Subsidiaries		
Tata Smartfoodz Limited	-	34.25
Subsidiaries and Joint Ventures of Promoter		
Infiniti Retail Limited	270.00	120.00
Investment made		
Subsidiary		
Tata Consumer Soulful Pvt Ltd	46.01	-
Tata Smartfoodz Ltd	41.50	-
Associates		
Amalgamated Plantations Pvt Limited	50.00	150.00
Joint Ventures		
Tata Starbucks Private Limited	100.00	86.00
Subsidiaries and Joint Ventures of Promoter		
Tata Industries Limited	-	395.00
Contribution to Funds		
Post Employment Benefit Plans		
Tata Tea Limited Gratuity Fund	-	4.76
Tata Tea Limited Calcutta Provident Fund	22.47	19.83

Notes
to the Standalone Financial Statements for the year ended March 31, 2023

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

Amount of Loans and Advances in nature of loans outstanding from subsidiaries and associates as at March 31, 2023:

Rs. Crores

Particulars	Outstanding 2023	Maximum during the year
Associate Company		
Kanan Devan Hills Plantation Company Private Limited	16.25	20.50
	(16.50)	(20.00)
Subsidiary Company		
Tata Smartfoodz Limited	25.00	25.00
	(14.75)	(49.00)

37A. INTERESTS IN OTHER ENTITIES

I) Subsidiaries

The Company's direct Subsidiaries as at March 31, 2023 is given below.

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2023	% holding 2022
1	Tata Consumer Products Capital Limited	UK	Holding company	100.00	100.00
2	Tata Consumer Products UK Group Limited *	UK	Holding company	100.00	89.85
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 Soulfull Private Limited	India	Manufacturing, marketing and distribution of Food Products	100.00	100.00
8	Tata Smartfoodz Limited	India	Manufacturing and marketing ready-to-eat products	100.00	100.00
9	TRIL Constructions Limited	India	Development of real estate and infrastucture facilities	80.46^	80.46^
10	TCPL Beverages & Foods Limited	India	Manufacturing, marketing and distribution of coffee & tea	100.00	100.00

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

^ on fully diluted basis

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

II) Joint Ventures

A list of Company's Joint Ventures as at March 31, 2023 is given below

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2023	% holding 2022
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, 2023 is given below.

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2023	% holding 2022
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

37B. 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.

38. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

Rs. in crores

2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial assets								
Investments								
Quoted Equity Instruments	-	25.66	-	25.66	25.66	-	-	25.66
Unquoted Equity Instruments*	-	136.54	-	136.54	-	9.53	127.01	136.54
Unquoted Preference Shares*	251.77	-	-	251.77	-	-	251.77	251.77
Loans	-	-	12.36	12.36	-	-	-	-
Other Financial Assets*	84.21	-	30.57	114.78	-	-	84.21	84.21
Current Financial assets								
Current Investments	555.25	-	96.14	651.39	555.25	-	-	555.25
Trade Receivables	-	-	341.65	341.65	-	-	-	-
Cash and Cash Equivalents	-	-	177.53	177.53	-	-	-	-
Other Bank Balances	-	-	1070.25	1070.25	-	-	-	-
Loans	-	-	430.56	430.56	-	-	-	-
Other Financial assets	-	-	77.29	77.29	-	-	-	-
	891.23	**162.20**	**2236.35**	**3289.78**	**580.91**	**9.53**	**462.99**	**1053.43**

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Rs. in crores

2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non - Current Financial liabilities								
Lease Liability	-	-	201.45	201.45	-	-	-	-
Others*	84.21	-	-	84.21	-	-	84.21	84.21
Current Financial liabilities								
Borrowings	-	-	39.50	39.50	-	-	-	-
Lease Liability			35.66	35.66				
Trade Payables	-	-	1518.17	1518.17	-	-	-	-
Other Financial Liabilities	-	0.30	73.94	74.24	-	0.30	-	0.30
	84.21	**0.30**	**1868.72**	**1953.23**	**-**	**0.30**	**84.21**	**84.51**

Rs. in crores

2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial assets								
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
Current Financial assets								
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	-	-	-	-
	439.58	**153.94**	**2260.15**	**2853.67**	**176.85**	**84.15**	**332.52**	**593.52**
Non-Current Financial liabilities								
Lease Liability	-	-	205.19	205.19	-	-	-	-
Others	76.91	-	-	76.91	-	76.91	-	76.91
Current Financial liabilities								
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
	76.91	**0.54**	**1575.78**	**1653.23**	**-**	**77.45**	**-**	**77.45**

* For certain unquoted equity 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. For other assets and liabilities categorised under level 3, a one percentage point change in the unobservable inputs used in fair valuation does not have a significant impact in its value.

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, 2023

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

	Rs. in Crores
Balance as at March 31, 2021	**34.92**
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2022	**34.92**
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2023	**34.92**

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 counterparties. 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

2023		Contractual cash flows			
	Carrying amount	Less than 1 year	1- 2 years	2- 5 years	More than 5 years
Current Financial Liabilities					
Borrowings	39.50	39.50	-	-	-
Trade Payables	1518.17	1518.17	-	-	-
Other Financial Liabilities	74.24	74.24	-	-	-
Non-Current Financial Liabilities					
Others	84.21	-	11.29	101.26	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Rs. in Crores

2022	Carrying amount	Contractual cash flows Less than 1 year	1- 2 years	2- 5 years	More than 5 years
Current Financial Liabilities					
Trade Payables	1263.74	1263.74	-	-	-
Other Financial Liabilities	77.68	77.68	-	-	-
Non-Current Financial Liabilities					
Others	76.91	-	-	76.91	-

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, 2023 and March 31, 2022 are as below:

Rs. in Crores

2023	USD	GBP	Others	Total
Financial assets				
Trade receivables	49.33	1.36	19.91	70.60
Financial liabilities				
Trade payables	13.68	0.01	0.48	14.18

Rs. in Crores

2022	USD	GBP	Others	Total
Financial assets				
Trade receivables	56.36	0.10	17.70	74.16
Financial liabilities				
Trade payables	7.09	2.19	-	9.28

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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

Category	Instrument	Currency pair	2023 FCY Amount (million)	2023 Equivalent Amount (Rs. in Crores)	2023 Fair Value Amount (Rs. in Crores)*	2022 FCY Amount (millon)	2022 Equivalent Amount (Rs. in Crores)	2022 Fair Value Amount (Rs. in Crores)*
Hedges of highly probable forecasted transactions	Forward contract	USD/INR	10.10	83.03	(0.33)	9.35	70.86	0.36
Hedges of highly probable forecasted transactions	Forward contract	AUD/INR	6.60	36.29	0.04	6.00	34.01	(0.90)

* Represents impact of mark to market values 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	2023 Effect on Profit before tax	2023 Effect on Pre-tax Equity	2022 Effect on Profit before tax	2022 Effect on Pre-tax Equity
5% appreciation of the underlying foreign currencies	2.82	(3.15)	3.24	(2.00)
5% depreciation of the underlying foreign currencies	(2.82)	3.15	(3.24)	2.00

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

Rs. in Crores

Details	2023	2022
Balance at the beginning of the period	(0.41)	0.83
Movement during the year	0.26	(1.65)
Tax impact on above	(0.06)	0.41
Balance at the end of the period	**(0.21)**	**(0.41)**

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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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

Capital Management	2023	2022
Total Borrowings	**39.50**	**-**
Less: Cash and Cash Equivalents including Deposits	1235.21	1317.68
Less: Current Investments	651.39	156.94
Less: Inter Corporate Deposits/Loan	441.25	572.25
Adjusted net (cash)/debt	**(2288.35)**	**(2046.87)**
Total Equity	**12753.26**	**11761.91**

39.EMPLOYEE BENEFITS OBLIGATION

(i) Defined Contributions

Amount of Rs. 16.28 Crores (Rs. 15.10 Crores) is recognised as an expense and included in employee benefit expense to the following defined contribution plans:

Rs. in Crores

	2023	2022
Provident Fund	11.29	9.74
Superannuation Fund	2.82	3.13
Employee state insurance schemes	2.17	2.23
	16.28	**15.10**

(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

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening Defined Benefit Obligation	4.77	5.51	76.13	77.97	46.92	54.12	90.00	92.11
Current Service cost	-	-	6.12	6.51	1.04	1.43	3.86	3.95
Past Service Cost		-		-		-	(0.91)	-
Interest on Defined Benefit Obligation	0.27	0.30	4.84	4.65	3.20	3.41	6.05	5.71
Actuarial changes arising from change in experience	(0.27)	(0.27)	(1.68)	0.71	(0.52)	(7.17)	(2.70)	(1.04)
Actuarial changes arising from change in demographic assumption	0.02	0.02	-	(2.58)	-	-	-	-
Actuarial changes arising from changes in financial assumption	(0.08)	(0.09)	(3.67)	(3.30)	(4.04)	(3.81)	(5.30)	(5.30)
Benefits Paid	(0.76)	(0.70)	(9.31)	(7.75)	(1.25)	(1.06)	(5.61)	(5.43)
Liability assumed/settled	-	-	0.02	(0.08)	-	-	-	-
Closing Defined Benefit Obligation	**3.95**	**4.77**	**72.45**	**76.13**	**45.35**	**46.92**	**85.39**	**90.00**

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

Rs. in Crores

	Pension		Gratuity	
	2023	2022	2023	2022
Opening fair value of Plan assets	3.81	5.14	75.06	71.30
Employers contribution	-	(1.50)	1.82	6.68
Interest on Plan Assets	0.19	0.23	5.01	4.44
Actual return on plan assets less interest on plan assets	0.03	0.46	0.16	0.47
Benefits Paid	(0.61)	(0.52)	(9.31)	(7.75)
Asset acquired/(settled)	-	-	0.02	(0.08)
Closing Fair value of plan assets	**3.42**	**3.81**	**72.76**	**75.06**

Net Asset/(Liability) recognised in balance sheet

Rs. in Crores

	Pension		Gratuity		Medical		Others	
	2023	2022	2023	2022	2023	2022	2023	2022
Present Value of Funded defined benefit obligation at the year end	2.43	2.94	72.45	76.13	-	-	-	-
Fair value of plan assets at the end of the year	3.42	3.81	72.76	75.06	-	-	-	-
	(0.99)	**(0.87)**	**(0.31)**	**1.07**	**-**	**-**	**-**	**-**
Present Value of Unfunded defined benefit obligation at the year end	1.52	1.83	-	-	45.35	46.92	85.39	90.00
Asset ceiling	0.33	0.29	-	-	-	-	-	-
Amount recognised in Balance Sheet	**0.86**	**1.25**	**(0.31)**	**1.07**	**45.35**	**46.92**	**85.39**	**90.00**

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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

Rs. in Crores

	Pension		Gratuity		Medical		Others	
	2023	2022	2023	2022	2023	2022	2023	2022
Current Service Cost	-	-	6.12	6.51	1.04	1.43	3.86	3.95
Interest cost on defined benefit obligation (net)	0.08	0.07	(0.17)	0.21	3.20	3.41	6.05	5.71
Past Service Cost	-	-	-	-	-	-	(0.91)	-
Total recognised in the statement of profit and loss	**0.08**	**0.07**	**5.95**	**6.72**	**4.24**	**4.84**	**9.00**	**9.66**

Amounts recognized in Other Comprehensive Income for the year:

Rs. in Crores

	Pension		Gratuity		Medical		Others	
	2023	2022	2023	2022	2023	2022	2023	2022
Actuarial changes arising from changes in financial assumption	(0.08)	(0.09)	(3.67)	(3.30)	(4.04)	(3.81)	(5.30)	(5.30)
Actuarial changes arising from changes in demographic assumption	0.02	0.02	-	(2.58)	-	-	-	-
Actuarial changes arising from changes in experience assumption	(0.27)	(0.27)	(1.68)	0.71	(0.52)	(7.17)	(2.70)	(1.04)
Return on plan asset excluding interest Income	(0.03)	(0.46)	(0.16)	(0.47)	-	-	-	-
Adjustment to recognise the effect of asset ceiling	0.04	(0.28)	-	-	-	-	-	-
Total recognised in Other Comprehensive Income	**(0.32)**	**(1.08)**	**(5.51)**	**(5.64)**	**(4.56)**	**(10.98)**	**(8.00)**	**(6.34)**

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

Rs. in Crores

	Pension		Gratuity		Medical		Others	
	2023	2022	2023	2022	2023	2022	2023	2022
Within next 12 months	1.39	1.53	12.85	14.02	2.01	1.81	5.31	5.77
Between 2 and 5 years	1.78	2.21	25.50	24.08	8.68	7.77	25.62	26.29
Between 6 and 9 years	0.80	1.02	24.48	26.23	9.61	8.53	27.64	28.73
10 years and above	1.17	1.44	86.25	82.75	56.34	46.33	155.17	145.18

Principal Actuarial assumptions used:

	2023	2022
Discount rates	7.60%	6.95%
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 Published rates under the S1PA Mortality table	Indian Assured Lives Mortality (2012-14) Ult Published rates under the S1PA Mortality table

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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
	2023	2023	2023	2023
Impact of increase in 50 basis point in discount rate on Defined Benefit Obligation	(0.06)	(2.61)	(2.73)	(3.75)
Impact of decrease in 50 basis point in discount rate on Defined Benefit Obligation	0.06	2.79	3.03	4.06
Impact of increase in 50 basis point in salary escalation on Defined Benefit Obligation	-	2.77	-	-
Impact of decrease in 50 basis point in salary escalation on Defined Benefit Obligation	-	(2.61)	-	-
Impact of increase in 100 basis point in health care cost on Defined Benefit Obligation	-	-	6.27	0.16
Impact of decrease in 100 basis point in health care cost on Defined Benefit Obligation	-	-	(5.17)	(0.14)
Impact of increase in 100 basis point in pension rate on Defined Benefit Obligation	0.06	-	-	2.14
Impact of decrease in 100 basis point in pension rate on Defined Benefit Obligation	(0.05)	-	-	(2.07)
Impact of increase in 1 year in Life Expectancy on Defined Benefit Obligation	0.10	-	2.44	3.33
Impact of decrease in 1 year in Life Expectancy on Defined Benefit Obligation	(0.10)	-	(2.47)	(3.33)

Major Categories of Plan Assets :

Rs. in Crores

	Pension		Gratuity	
	2023	2022	2023	2022
Insurance managed Funds	3.35	3.67	72.61	74.83
Others	0.07	0.14	0.15	0.23
Total	**3.42**	**3.81**	**72.76**	**75.06**

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, 2023 and March 31, 2022, the plan assets have been primarily invested in insurer managed funds.

Expected Contribution over the next financial year:

The Company is expected to contribute Rs. 0.86 Crores to defined benefit obligation funds for the year ending March 31, 2024.

(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

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

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

	2023	2022
Plan Assets as at year end	230.96	214.17
Present Value of Funded Obligations at year end	230.96	214.17
Amount Recognised in the Balance Sheet	-	-

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

	2023	2022
Guaranteed Rate of Return	8.15%	8.10%
Discount Rate for remaining term to Maturity of Investment	7.55%	6.80%
Expected Rate of Return on Investment	7.94%	8.42%

40A. The Board of Directors of the Company in its meeting held on March 29, 2022, had 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, 2023.

40B. During the year, the Company has acquired 10.15% additional stake in Tata Consumer Products UK Group Limited, an overseas subsidiary from Tata Enterprises (Overseas) AG (TEO), thereby making it a wholly owned subsidiary of the Company. This transaction was approved by the Shareholder of the Company on April 29, 2022 and was consummated on October 21, 2022 through preferential issue of 74,59,935 equity shares of the Company to TEO at a price of Rs. 765.16 per equity share. Accordingly, the Equity Share capital and Securities Premium has been credited with Rs 0.74 Crores and Rs 570.06 Crores respectively on settlement of the purchase consideration.

41. AUDIT FEES

Rs. in Crores

	2023	2022
Statutory Audit	1.89	1.87
Tax Audit	0.16	0.16
Other Services (including Limited Reviews)	1.39	1.60
Reimbursement of Expenses	0.09	0.05
	3.53	**3.68**

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

42. RATIOS

I) Financial Ratios

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022:

Particulars	Numerator	Denominator	2023	2022	Change
(a) Current Ratio,	Current Assets	Current Liabilities	2.43	2.56	-5%
(b) Debt-Equity Ratio	Total Debt (Note 1)	Total Equity	0.02	0.02	9%
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt Service (Note 2)	22.62	20.54	10%
(d) Return on Equity Ratio	Profit for the year	Average Total Equity	7.75%	7.71%	4bps
(e) Inventory turnover ratio	Revenue from Operations	Average Inventory	6.39	5.92	8%
(f) Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivable	27.39	29.43	-7%
(g) Trade payables turnover ratio	Purchases and Other Services	Average Trade Payables	4.90	5.47	-10%
(h) Net capital turnover ratio	Revenue from Operations	Working Capital	3.23	3.32	-3%
(i) Net profit ratio	Profit for the year	Revenue from Operations	11.13%	11.17%	4bps
(j) Return on Capital employed	EBIT (Note 3)	Capital Employed (Note 4)	22.58%	22.25%	33bps
(k) Return on investment	Earnings from invested funds	Average invested funds in Treasury Investments	5.60%	3.98%	162bps *

* Due to increase in market yield

Note 1: Debt includes lease liabilities

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

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

Note 4: Capital Employed = Tangible Net Worth (including non-current investments) + 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, 2023, 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 venture 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, 2023, 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Impairment of the carrying value of goodwill on consolidation for a Cash generating unit** 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. 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. Focus was on the goodwill carried in books for cash generating units with lower headroom. Refer note 6 and note 2.3 to the financial statements	The goodwill has been recorded in the books of an overseas component. The Component Auditor has reported that they have performed the following procedures. 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: • Engaged internal fair valuation experts to challenge management's underlying assumptions and appropriateness of the valuation model used. • Compared the Group's assumptions with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates. • Assessed the appropriateness of the forecast cash flows within the budgeted period based on their understanding of the business and sector experience. • Considered historical forecasting accuracy, by comparing previously forecasted cash flows to actual results achieved. • Performed a sensitivity analysis in relation to key assumptions. 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.
2.	**Impairment of investments in an associate** 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 ₹218.06 crore in the associate in consolidated financial statements of the Company. The associate has also engaged a valuation expert to evaluate the recoverable value of the entity through sale of its assets. Refer Note 36(c) to the financial statements.	Besides obtaining an understanding of Management's processes and controls with regard to testing the investments for impairment our procedures included the following: 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. 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.

Sr. No.	Key Audit Matter	Auditor's Response
3.	**Inventory of raw / cured coffee beans ("green coffee beans"), tea and pepper (Valuation) – Tata Coffee Limited:** 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, 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. The total value of finished goods (commodities) as at March 31, 2023 is ₹137.80 crore.	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: With respect to the net realisable value: • 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. • 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. • To assess the reasonableness of the net realisable value that was estimated and considered by the management: o 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; o 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; o 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; o Verified the publicly available market information to assess if there has been significant decrease in the rates subsequent to the year end. • 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. • 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. • Tested the appropriateness of the disclosure in the financial statements in accordance with the applicable financial reporting framework.

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 venture 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 venture 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.

Responsibilities of Management and Those Charged with Governance 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 and presentation 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 respective entities 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 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.

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 29 subsidiaries whose financial statements reflect total assets of ₹7,228.90 crore as at March 31, 2023, total revenues of ₹1,859.12 crore and net cash outflows amounting to ₹115.73 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 ₹ Nil for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 joint venture, 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 venture, 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 venture 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 venture 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, 2023 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 company 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, 2023 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 with reference to consolidated financial statements 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 company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements 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 performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors 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 final dividend proposed in the previous year, declared and paid by the Parent Company and its subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 14(vi) to the consolidated financial statements, the Board of Directors of the Parent Company and its subsidiaries, associates and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent Company and such subsidiaries, associates and joint venture at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent Company and its subsidiaries, associates and joint ventures which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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 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 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
(Membership No.039826)
UDIN: (23039826BGXRYY4421)

Place: Mumbai
Date: April 25, 2023

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 with reference to consolidated financial statements 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, 2023, we have audited the internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 Parent's internal financial controls with reference to consolidated financial statements of the Company, its subsidiaries companies, its associates and joint venture are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statement 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 with reference to consolidated financial statements 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.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements 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)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN: (23039826BGXRYY4421)

Place: Mumbai
Date: April 25, 2023

Consolidated Balance Sheet

as at March 31, 2023

Rs. in Crores

	Note	2023	2022
ASSETS			
Non-Current Assets			
Property Plant and Equipment	3	1604.68	1480.31
Capital Work in Progress		286.10	209.44
Investment Property	4	-	17.31
Investment Property under Development	4A	214.78	214.78
Right of Use Assets	5	384.04	378.44
Goodwill	6	8025.38	7754.11
Other Intangible Assets	6	2841.16	2754.40
Intangible Assets under Development		8.80	37.53
Investments accounted for using Equity method	36(c)	292.66	234.31
Financial Assets			
Investments	7	385.57	364.94
Loans	8	12.52	14.01
Other Financial Assets	9	42.80	35.69
Deferred Tax Assets (Net)	20 (d)	48.64	42.72
Non-current Tax Assets (Net)	20 (c)	160.30	141.66
Other Non Current Assets	10	195.12	302.26
		14502.55	**13981.91**
Current Assets			
Inventories	11	2701.67	2266.51
Financial Assets			
Investments	7	754.74	198.03
Trade Receivables	12	798.33	835.15
Cash and Cash Equivalents	13	1539.56	1497.97
Other Bank balances	13	1257.38	1101.92
Loans	8	529.72	659.94
Other Financial Assets	9	192.86	184.30
Current Tax Assets (Net)	20 (c)	20.83	1.33
Other Current Assets	10	513.49	390.53
		8308.58	**7135.68**
TOTAL ASSETS		**22811.13**	**21117.59**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14 (a)	92.90	92.16
Other Equity	14 (b)	16183.81	15049.78
Equity attributable to the Equity holders of the company		**16276.71**	**15141.94**
Non Controlling Interest		850.17	1151.62
Total Equity		**17126.88**	**16293.56**
Non-Current Liabilities			
Financial Liabilities			
Borrowings	15	206.12	241.87
Lease Liabilities	35	362.21	350.91
Other Financial Liabilities	16	160.71	93.14
Provisions	17	167.49	175.59
Deferred Tax Liabilities (Net)	20 (d)	863.04	776.41
Non Current Tax Liabilities	20 (c)	-	13.49
		1759.57	**1651.41**
Current Liabilities			
Financial liabilities			
Borrowings	15	976.70	768.72
Lease Liabilities	35	55.01	50.51
Trade Payables	18	2348.18	1915.85
Other Financial Liabilities	16	227.98	211.78
Other Current Liabilities	19	173.49	132.15
Provisions	17	77.40	73.21
Current Tax Liabilities (Net)	20 (c)	65.92	20.40
		3924.68	**3172.62**
TOTAL EQUITY AND LIABILITIES		**22811.13**	**21117.59**

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, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

K P Krishnan
Director
(DIN 01099097)

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

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

Rs. in Crores

	Note	2023	2022
Income			
Revenue from Operations	21	13783.16	12425.37
Other Income	22	168.88	140.06
Total Income		**13952.04**	**12565.43**
Expenses			
Cost of Materials Consumed	23	5376.56	4908.36
Purchase of Stock in Trade		2903.03	2215.39
Change in Inventories of Finished Goods/Work-in-progress/ Stock in Trade	24	(273.88)	(39.78)
Employee Benefits Expense	25	1120.36	1048.00
Finance Costs	26	87.16	72.78
Depreciation and Amortisation Expense	27	304.08	278.01
Other Expenses	28	2800.62	2574.62
Total Expenses		**12317.93**	**11057.38**
Profit before Exceptional Items and Taxes		**1634.11**	**1508.05**
Exceptional Items (Net)	29	159.45	(52.06)
Profit before Tax		**1793.56**	**1455.99**
Tax Expenses	20 (a)		
Current Tax		376.76	220.24
Deferred Tax		70.28	156.80
		447.04	**377.04**
Profit after Taxation before share of results of investments accounted using equity method		**1346.52**	**1078.95**
Share of net profit/(loss) in Associates and Joint Ventures using equity method		(26.38)	(63.79)
Profit for the year		**1320.14**	**1015.16**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(104.68)	55.91
Changes in fair valuation of equity instruments		12.04	4.67
		(92.64)	**60.58**
Tax Impact on above items		23.63	(25.61)
		(69.01)	**34.97**
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		172.79	12.74
Gains/(loss) on Effective portion of cash flow hedges		(28.22)	10.63
		144.57	**23.37**
Tax impact on above items		8.12	0.90
		152.69	**24.27**
Total Other Comprehensive Income		**83.68**	**59.24**
Total Comprehensive Income		**1403.82**	**1074.40**
Net Profit for the year - attributable to :			
Owners of Parent		1203.77	935.78
Non Controlling Interest		116.37	79.38
Net profit for the year		**1320.14**	**1015.16**
Other Comprehensive Income - attributable to :			
Owners of Parent		88.72	50.78
Non Controlling Interest		(5.04)	8.46
Other Comprehensive Income		**83.68**	**59.24**
Total Comprehensive Income - attributable to :			
Owners of Parent		1292.49	986.56
Non Controlling Interest		111.33	87.84
Total Comprehensive Income		**1403.82**	**1074.40**
Earnings Per Share			
Equity share of nominal value of Re. 1 each	30		
Basic		13.02	10.15
Diluted		13.02	10.15

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, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

K P Krishnan
Director
(DIN 01099097)

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

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Consolidated Statement of Changes in Equity

as at March 31, 2023

Equity Share Capital and Other Equity (refer note 14)

Rs in Crores

Particulars	Equity Share Capital	Reserve and Surplus									Other Comprehensive Income			Total Other Equity	Non Controlling Interests	Total Equity
		Capital Reserve	Securities Premium	Share Based Payment Reserve	Capital Redemption Reserve	Contingency Reserve	Amalgamation Reserves	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, 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**	**14442.35**	**1092.53**	**15627.04**
Profit for the year										935.78				935.78	79.38	1015.16
Other Comprehensive Income										30.99	7.53	3.20	9.06	50.78	8.46	59.24
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**966.77**	**7.53**	**3.20**	**9.06**	**986.56**	**87.84**	**1074.40**
Transaction with owners in their capacity as owners																
Dividends										(373.23)				(373.23)	(25.39)	(398.62)
Transfer to General Reserve									9.21	(9.21)				-		-
Recognition of share-based payments				0.46										0.46		0.46
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income										0.80		(0.80)		-		-
Reclassification of hedging gain /(loss) to the Statement of Profit and Loss											2.63			2.63	0.72	3.35
Non-controlling Interest on aquisition of a subsidiary															33.39	33.39
Transaction with Non- Controlling Interest										(8.99)				(8.99)	(37.47)	(46.46)
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**	**1151.62**	**16293.56**
Profit for the year										1203.77				1203.77	116.37	1320.14
Other Comprehensive Income										(75.32)	(17.65)	10.01	171.68	88.72	(5.04)	83.68
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1128.45**	**(17.65)**	**10.01**	**171.68**	**1292.49**	**111.33**	**1403.82**
Transaction with owners in their capacity as owners																
Dividends										(557.54)				(557.54)	(15.88)	(573.42)
Recognition of share-based payments				4.04										4.04		4.04
Issue of shares [Refer Note 36(a)]	0.74		570.06											570.06		570.80
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income										2.88		(2.88)		-		-
Reclassification to profit or loss on disposal of Joint Ventures													(1.04)	(1.04)		(1.04)
Transaction with Non- Controlling Interest (Refer Note 36 a)										(118.92)				(118.92)	(454.76)	(573.68)
Non-controlling Interest on aquisition of a subsidiary [Refer Note 41 (a)]														-	57.86	57.86
Purchase commitments for Non-Controlling Interests' shares [Refer Note 41 (a)]										(55.06)				(55.06)		(55.06)
Balance as at March 31, 2023	**92.90**	**15.79**	**7000.93**	**4.50**	**0.10**	**1.00**	**8.33**	**21.86**	**1184.69**	**7372.30**	**(1.77)**	**7.24**	**568.84**	**16183.81**	**850.17**	**17126.88**

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, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

K P Krishnan
Director
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Sunil D'Souza
Managing Director & CEO
(DIN 07194259)

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

TATA

Consolidated Statement of Cash Flow

for the year ended March 31, 2023

Rs in Crores

	2023		2022	
A. Cash Flow from Operating Activities				
Net Profit before Tax		**1793.56**		**1455.99**
Adjusted for :				
Depreciation and Amortisation	304.08		278.01	
Finance Cost	87.16		72.78	
Dividend Income	(2.58)		(2.12)	
Profit on sale of Current Investments (net)	(17.55)		(8.94)	
Fair value movement in Financial instruments at fair value through profit and loss	(6.65)		(13.49)	
Interest Income	(124.65)		(85.39)	
Unrealised foreign exchange (gain) / loss	-		(0.51)	
Impairment loss recognised in trade receivables & advances (net of reversal)	0.42		1.23	
Share based payment to employees	4.04		0.46	
(Profit) / Loss on sale of Property, Plant & Equipment including Investment Property (net)	(0.05)		1.61	
Deferred Revenue	(2.16)		-	
Rental Income from Investment Property	(0.80)		(2.42)	
Exceptional Items-				
Gain on conversion of Joint Ventures into Subsidiaries	(93.15)		-	
Profit on sale of Investment Property	(147.54)		-	
Other Exceptional Items	81.24		52.06	
		81.81		**293.28**
Operating Profit before working capital changes		**1875.37**		**1749.27**
Adjustments for:				
Trade Receivables and Other Assets	(36.06)		(148.78)	
Inventories	(367.98)		(0.91)	
Trade payables and Other Liabilities	378.61		151.50	
		(25.43)		**1.81**
Cash generated from/(used in) Operations		**1849.94**		**1751.08**
Direct taxes paid (net)		(388.65)		(235.27)
Net Cash from/(used in) Operating Activities		**1461.29**		**1515.81**
B. Cash Flow from Investing Activities				
Payment for Property, Plant and Equipment including Intangible Assets	(311.75)		(273.34)	
Sale of Property, Plant and Equipment / Investment Property	171.85		27.26	
Rental Income from Investment Property	0.80		2.42	
Sale of Non Current Investments carried at fair value through OCI	3.80		1.20	
Acquisition of Subsidiaries	(52.19)		(465.00)	
Investment in Joint Venture	(100.00)		(86.00)	
Investment in Associate	(50.00)		(150.00)	
Purchase of additional stake in a Subsidiary	(2.88)		(46.45)	
Deferred consideration pertaining to disposal of a Subsidiary	9.33		11.30	
Dividend Income received (including dividend from Associates and Joint Ventures)	12.72		12.84	
Interest Income received	108.67		75.21	
(Purchase) / Sale of Current Investments (net)	(436.37)		135.27	
Purchase of Government securities	(96.14)		-	
Fixed Deposits Placed	(1797.18)		(2008.56)	
Fixed Deposits Redeemed	1641.72		1940.76	
Inter Corporate Deposits and Loans Placed (including FX)	(1083.70)		(731.50)	
Inter Corporate Deposits and Loans Redeemed (including FX)	1153.50		232.75	
Net cash from / (used in) Investing Activities		**(827.82)**		**(1321.84)**

Consolidated Statement of Cash Flow

Consolidated Statement of Cash Flow for the year ended March 31, 2023

Rs in Crores

		2023		2022
C.	**Cash Flow from Financing Activities**			
	Repayment of Long term borrowings	(56.32)	(493.00)	
	Proceeds from / (Repayment of) Short term borrowings (net)	52.55	(1.71)	
	Payment of Lease Liabilities	(55.55)	(52.78)	
	Dividend paid	(573.42)	(398.19)	
	Finance Cost paid	(81.66)	(62.51)	
	Refund of Dividend Distribution Tax paid in an earlier year	-	13.42	
	Net Cash from / (used in) Financing Activities	**(714.40)**		**(994.77)**
	Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	**(80.93)**		**(800.80)**
D.	**Cash and Cash Equivalents**			
	Opening balance of Cash and Cash Equivalents	977.11		1773.18
	Cash and Cash Equivalents of the acquired companies	2.92		0.90
	Exchange Gain/ (Loss) on translation of foreign currency Cash and Cash Equivalents	(8.71)		3.83
	Balances at the end of the year	**890.39**		**977.11**

Rs in Crores

Reconciliation with Balance Sheet	2023	2022
Cash and Cash Equivalents	890.39	977.11
Add : Bank Overdraft	649.17	520.86
Balances at the end of the year	**1539.56**	**1497.97**

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, April 25, 2023

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Chief Financial Officer

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Company Secretary

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

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, 2023 were approved for issue by Company's Board of Directors on April 25, 2023.

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.

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,
- liabilities 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.

Purchase commitments for non-controlling interests' shares

The Group has put/call options to acquire non-controlling interest of certain fully consolidated subsidiary. At initial recognition, the financial liability is measured at the present value of the estimated purchase consideration with a charge to the Equity. Any subsequent change to the fair value of the liability is also recognised in Equity. In the balance sheet, the value of the commitment is disclosed as "Purchase commitments for non-controlling interests' shares".

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

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

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.

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.

Cost incurred on assets under development are disclosed under capital work in progress and not depreciated till asset is ready to use.

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 or based on a technical evaluation of the asset. Land is not depreciated.

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	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 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.

Cost incurred on assets under development are disclosed under Investment Property under development and not depreciated till asset is ready to use.

(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.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

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 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 8 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, if any. 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 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 assets at its fair value and in the case of financial assets not recorded at fair value through profit or loss at transaction costs

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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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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.

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

The 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.

(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

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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.

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.

(k) Share based payment

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

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to the Consolidated Financial Statements for the year ended March 31, 2023

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 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 maybe 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 (net of variable consideration) allocated to that performance obligation. The transaction price of the goods and services to a customer is based on the price specified in the contract and is net of variable consideration on account of estimated sales incentives / discounts offered by the Group. 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.

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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 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 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.

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to the Consolidated Financial Statements for the year ended March 31, 2023

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 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 define 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 38)

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 arex 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 37)

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.

2.4 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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3. PROPERTY PLANT AND EQUIPMENT

Rs. in Crores

	Land	Bearer Assets	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipment	Motor Vehicles	Total Tangible Assets
Cost								
As at April 1, 2021	**64.03**	**25.79**	**359.95**	**2032.53**	**229.48**	**9.70**	**21.65**	**2743.13**
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
As at March 31, 2022	**63.52**	**33.66**	**470.44**	**2246.84**	**229.01**	**8.96**	**19.38**	**3071.81**
Acquisition through Business Combination	-	-	0.62	18.87	0.46	-	3.08	23.03
Additions	-	19.92	14.45	144.78	21.14	1.11	0.12	201.52
Disposal	-	-	(1.56)	(82.32)	(9.44)	(0.52)	(4.37)	(98.21)
Adjustments / Transfer	-	-	-	1.14	-	(2.63)	(0.29)	(1.78)
Translation exchange difference	0.11	-	10.49	73.48	4.41	0.03	(0.16)	88.36
As at March 31, 2023	**63.63**	**53.58**	**494.44**	**2402.79**	**245.58**	**6.95**	**17.76**	**3284.73**
Accumulated Depreciation								
As at April 1, 2021	**-**	**1.42**	**145.90**	**1177.28**	**176.62**	**6.57**	**12.67**	**1520.46**
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
As at March 31, 2022	**-**	**2.38**	**154.86**	**1243.00**	**173.43**	**5.07**	**12.76**	**1591.50**
Depreciation for the year	-	1.51	15.15	104.66	14.76	0.85	1.05	137.98
Disposal	-	-	(1.36)	(79.63)	(8.71)	(0.44)	(2.35)	(92.49)
Adjustments / Transfer	-	-	-	0.86	(0.70)	(1.28)	(0.29)	(1.41)
Translation exchange difference	-	-	4.96	35.76	3.77	0.03	(0.05)	44.47
As at March 31, 2023	**-**	**3.89**	**173.61**	**1304.65**	**182.55**	**4.23**	**11.12**	**1680.05**
Net Carrying Value								
As at March 31, 2022	**63.52**	**31.28**	**315.58**	**1003.84**	**55.58**	**3.89**	**6.62**	**1480.31**
As at March 31, 2023	**63.63**	**49.69**	**320.83**	**1098.14**	**63.03**	**2.72**	**6.64**	**1604.68**

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 33.29 Crores (Rs 44.40 Crores).

Notes
to the Consolidated Financial Statements for the year ended March 31, 2023

Capital work-in-progress ageing schedule for the year ended March 31, 2023 and March 31, 2022:

Rs. in Crores

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31,2023					
Projects in progress	221.89	3.61	-	27.31	252.81
Bearer plants in progress	8.81	2.80	3.04	18.64	33.29
Total	**230.70**	**6.41**	**3.04**	**45.95**	**286.10**
As at March 31,2022					
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
Total	**114.66**	**28.93**	**37.79**	**28.06**	**209.44**

4. INVESTMENT PROPERTY

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

Rs in Crores

	2023	2022
Cost		
Opening Balance	19.59	37.07
Disposal	(19.59)	(17.48)
Closing Balance	**-**	**19.59**
Accumulated Depreciation		
Opening Balance	2.28	3.90
Depreciation for the year	0.19	0.61
Deductions / Adjustments	(2.47)	(2.23)
Closing Balance	**-**	**2.28**
Net Carrying Value	**-**	**17.31**

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

Rs in Crores

	2023	2022
Rental Income	0.80	2.42
Direct operating expenses	(0.24)	(0.51)
Profit from investment property before depreciation	**0.56**	**1.91**
Depreciation for the year	(0.19)	(0.61)
Profit/(loss) from Investment Property	**0.37**	**1.30**

4A. INVESTMENT PROPERTY UNDER DEVELOPMENT

Rs in Crores

	2023	2022
Cost		
Opening Balance	214.78	-
Acquisition during the year	-	215.74
Adjustments	-	(0.96)
Closing Balance	**214.78**	**214.78**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

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	1-2 years	2-3 years	More than 3 years	
Projects temporarily on hold					
As at March 31, 2023	-	-	-	**214.78**	**214.78**
As at March 31, 2022	-	-	-	**214.78**	**214.78**

Rs. in Crores

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Yeshwantpur Project				
As at March 31, 2023	-	-	-	**214.78**
As at March 31, 2022	-	-	-	**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 OF USE ASSETS

Rs. in Crores

	Land	Buildings	Plant and Machinery	Office Equipment	Motor Vehicles	Total Right of Use Assets
Net Carrying Value						
As at April 1, 2021	**81.48**	**279.96**	**21.62**	**0.17**	**3.18**	**386.41**
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
As at March 31, 2022	**104.41**	**243.99**	**25.95**	**0.08**	**4.01**	**378.44**
Acquisition through Business Combination	-	3.11	-	-	-	3.11
Additions	-	40.43	19.23	-	0.66	60.32
Disposal	(0.89)	(4.78)	(0.19)	-	0.01	(5.85)
Depreciation for the year	(1.66)	(49.72)	(6.08)	(0.05)	(2.24)	(59.75)
Adjustments / Transfer	-	(0.47)	(0.07)	-	0.26	(0.28)
Translation exchange difference	6.91	0.83	0.31	-	-	8.05
As at March 31, 2023	**108.77**	**233.39**	**39.15**	**0.03**	**2.70**	**384.04**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

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
Cost							
As at April 1, 2021	**8015.20**	**2778.85**	**-**	**17.64**	**243.15**	**270.46**	**3310.10**
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
As at March 31, 2022	**8180.73**	**2788.82**	**-**	**38.04**	**263.82**	**270.46**	**3361.14**
Acquisition through Business Combination	112.17	84.11	42.66	-	-	-	126.77
Additions	-	-	-	-	62.10	-	62.10
Disposal	-	-	-	-	(29.91)	-	(29.91)
Translation exchange difference	177.65	23.02	(1.70)	-	4.92	-	26.24
As at March 31, 2023	**8470.55**	**2895.95**	**40.96**	**38.04**	**300.93**	**270.46**	**3546.34**
Accumulated Depreciation / Impairment							
As at April 1, 2021	**418.63**	**253.33**	**-**	**17.10**	**187.74**	**67.62**	**525.79**
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
As at March 31, 2022	**426.62**	**297.47**	**-**	**18.32**	**189.53**	**101.42**	**606.74**
Amortisation for the year	-	40.21	0.68	2.04	29.43	33.80	106.16
Disposal	-	-	-	-	(29.65)	-	(29.65)
Impairment	-	-	-	-	-	-	-
Translation exchange difference	18.55	17.60	(0.02)	-	4.35	-	21.93
As at March 31, 2023	**445.17**	**355.28**	**0.66**	**20.36**	**193.66**	**135.22**	**705.18**
Net Carrying Value							
As at March 31, 2022	**7754.11**	**2491.35**	**-**	**19.72**	**74.29**	**169.04**	**2754.40**
As at March 31, 2023	**8025.38**	**2540.67**	**40.30**	**17.68**	**107.27**	**135.24**	**2841.16**

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 asset under development - Ageing schedule:

Rs. in Crores

Particulars	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					
As at March 31, 2023	**8.45**	**0.35**	**-**	**-**	**8.80**
As at March 31, 2022	**37.53**	**-**	**-**	**-**	**37.53**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

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

2023	Opening	Addition	Disposal	Impairment	Foreign exchange	Closing
Branded Business						
India Business	**3859.95**	**-**	**-**	**-**	**-**	**3859.95**
International Business						
UK & Europe	1730.60	-	-	-	42.23	1772.83
US	1391.01	-	-	-	117.83	1508.84
Canada	684.75	-	-	-	2.45	687.20
South Africa	-	95.73	-	-	(3.40)	92.33
Bangladesh	-	16.44	-	-	(0.01)	16.43
	3806.36	**112.17**	**-**	**-**	**159.10**	**4077.63**
Non Branded Business	**87.80**	**-**	**-**	**-**	**-**	**87.80**
Total Group	**7754.11**	**112.17**	**-**	**-**	**159.10**	**8025.38**

Rs. in Crores

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

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 last 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.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

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.

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, 2023 are given below:

	Pre-tax discount rate	Long-term growth rate
India	15.95%	6.00%
UK & Europe	10.45%	2.40%
US	9.66% - 14.40%	2.00% - 3.10%
Canada	10.14%	3.70%
South Africa	23.15%	4.50%
Bangladesh	13.76%	5.00%

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 charges

Based on an assessment carried out, there are no impairment charges 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.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

7. INVESTMENTS

Rs in Crores

		2023	2022
Non-current Investments			
Quoted Equity Instruments	a	25.67	19.92
Unquoted Equity Instruments	b	141.84	139.29
Unquoted Preference Shares	c	218.06	205.73
Unquoted Debentures	d	0.00	0.00
Unquoted Government Securities	d	0.00	0.00
		385.57	**364.94**
Current Investments			
Investments in Government Securities - Unquoted (Carried at Amortised cost)		96.14	-
Mutual Funds - Unquoted (Carried at Fair value through Profit or Loss)		658.60	198.03
		754.74	**198.03**
Total Investments		**1140.31**	**562.97**

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

Details of investments are as follows:

a) Quoted Equity Instruments

Carried at fair value through Other Comprehensive Income

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
Tata Chemicals Ltd.	Rs. 10	150	150	0.01	0.01
Tata Investment Corporation Ltd.	Rs. 10	146872	146872	25.66	19.91
SBI Home Finance Ltd. (Under liquidation) ^	Rs. 10	100000	100000	-	-
				25.67	**19.92**

^ Investment is fully impaired.

b) Unquoted Equity Instruments

Carried at fair value through other comprehensive income

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
Tata Sons Private Ltd. *	Rs. 1000	1755	1755	9.75	9.75
Tata Capital Ltd.	Rs. 10	613598	613598	8.29	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	6.64	6.39
Southern Scribe Instruments Pvt Ltd #	Rs. 100	7280	7280	0.07	0.07
Armstrong Power Private Limited #	Rs. 100	1100	1100	0.01	0.01
K.T.V Oil Mills Private Limited #	Rs. 100	1450	1450	0.01	0.01
Coorg Orange Growers Co-Operative Society Ltd.^	Rs. 100	4	4	-	-
Tata Coffee Co-operative Stores Limited^	Rs. 5	20	20	-	-
Coorg Cardamom Co-operative Marketing Society Limited^	Rs. 100	1	1	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
ABC Tea Workers Welfare Services	Rs. 10	20000	20000	0.02	0.02
Assam Hospitals Ltd	Rs. 10	-	200000	-	2.80
GNRC Ltd	Rs. 10	50000	50000	0.59	0.25
IFCI Venture Capital Funds Ltd	Rs. 10	250000	250000	0.58	1.05
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
Sanlam	ZAR. 38	342	-	0.01	-
Ritspin Synthetics Ltd. ^	Rs. 10	100000	100000	-	-
TEASERVE $ (The Tamil Nadu Tea Manufacturers' Service Industrial Co-Op Society Ltd)	Rs. 5000	1	1	0.00	0.00
				141.84	**139.29**

$ 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.

c) Unquoted Preference Shares

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
Investment in Associates					
Amalgamated Plantations Pvt Ltd.	Rs. 10	267000000	217000000	218.06	205.73
Other					
Thakurbari Club Ltd (Cost Re 1) $	Rs. 100	26	26	0.00	0.00
				218.06	**205.73**

$ Investment carrying values are below Rs 0.01 Crores.

Investment in preference shares of Amalgamated Plantations Pvt. Ltd. (APPL) subscribed in an earlier year of Rs. 50.14 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 and 2022-23 of Rs 201.63 Crores [200000000 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. Investment in APPL preference shares are stated net of accumulated share of losses on the equity investment accounted as per equity method.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

d) Unquoted Debentures and Government Securities

Carried at fair value through other comprehensive income

	Face Value	Nos. 2023	Nos. 2022	Rs. in Crores 2023	Rs. in Crores 2022
Unquoted Debentures					
The Bengal Chamber of Commerce & Industry - 6 1/2% Debentures $	Rs. 1000	7	7	0.00	0.00
Shillong Club Ltd - 5% Debentures - (Cost Rs 2) $	Rs. 100	31	31	0.00	0.00
				0.00	**0.00**
Unquoted Government Securities:					
W.B. Estates Acquisition Compensation Bond $				0.00	0.00
				0.00	**0.00**

$ Investment carrying values are below Rs 0.01 Crores.

8. LOANS

Rs. in Crores

	2023	2022
Non-current Loans		
Inter Corporate Loans to related party	11.25	13.00
Employee Loans and Advances	1.27	1.01
	12.52	**14.01**
Current Loans		
Inter Corporate Loans	127.75	114.40
Inter Corporate Deposit*	385.00	469.75
Inter Corporate Loans to related party	15.00	73.50
Employee Loans and Advances	1.97	2.29
	529.72	**659.94**
Total Loans	**542.24**	**673.95**

* Inter-corporate deposits placed with financial institutions yield fixed interest rate.

Sub-classification of Loans

Rs. in Crores

	2023	2022
Non-current Loans		
Loan Receivables considered good - Secured	11.25	13.00
Loan Receivables considered good - Unsecured	1.27	1.01
	12.52	**14.01**
Current Loans		
Loan Receivables considered good - Secured	120.33	111.06
Loan Receivables considered good - Unsecured	409.39	548.88
	529.72	**659.94**
Total Loans	**542.24**	**673.95**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Non-current loans

Inter Corporate Loans to a related party amounting to Rs 11.25 Crores (Rs 13.00 Crores) is secured by way of mortgage of rights on immovable assets.

Current loans

Inter Corporate Loans – (a) amounting to Rs 115.33 Crores (Rs 106.31 Crores) is secured by way of pledge of shares of the borrower and by a corporate guarantee, (b) amounting to Rs 5.00 Crores (Rs 3.50 Crores) is given to a related party and is secured by way of mortgage of rights on immoveable assets, (c) amounting to Nil (1.25 Crores) is backed by mortgage over land.

9. OTHER FINANCIAL ASSETS

Rs. in Crores

	2023	2022
Non-current		
(unsecured and considered good unless otherwise stated)		
Security Deposit	36.46	29.76
Lease Receivables	6.34	5.93
	42.80	**35.69**
Current		
(unsecured and considered good unless otherwise stated)		
Interest Accrued	83.68	62.34
Government Incentive Receivable	23.92	14.11
Deposits	6.00	11.02
Lease Receivables	1.22	1.14
Derivative Financials Assets / Margin on Contracts		
Currency Hedges	12.83	4.36
Commodity Hedges	17.80	46.69
Interest rate swap	4.09	-
Others	43.32	44.64
	192.86	**184.30**
Total Other Financial Assets	**235.66**	**219.99**

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 (Rs 0.38 Crores). Others include receivable from related parties – Rs 2.94 Crores (Rs 2.55 Crores). Interest accrued includes due from related party – Rs 0.07 Crores (Rs 0.55 Crores).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

10. OTHER ASSETS

Rs. in Crores

	2023	2022
Non current Assets		
(unsecured and considered good unless otherwise stated)		
Capital Advance	9.75	5.41
Pension Surplus	102.74	224.41
Taxes Receivables	57.03	49.01
Others	25.60	23.43
	195.12	**302.26**
Current Assets		
(unsecured and considered good unless otherwise stated)		
Prepaid Expenses	84.62	77.72
Taxes Receivables	321.33	232.99
Other Trade Advance	107.54	79.82
	513.49	**390.53**
Total Other Assets	**708.61**	**692.79**

Other trade advance includes doubtful advances which are fully provided – Rs 1.24 Crores (Rs 1.19 Crores). Other trade advance include advance paid to related parties – Rs 34.37 Crores (Rs 22.55 Crores).

11. INVENTORIES

(At lower of cost and net realisable value)

Rs. in Crores

	2023	2022
Raw Material	1374.90	1243.43
Finished Goods	869.37	629.56
Stock in Trade	329.87	286.85
Work in Progress	50.74	48.27
Stores and Spare Parts	76.79	58.40
Total Inventories	**2701.67**	**2266.51**

Raw material includes in-transit inventory of Rs. 35.38 Crores (Rs. 30.09 Crores) and Stock in Trade includes in-transit inventory of Rs. 0.93 Crores (3.64 Crores). During the year ended March 31, 2023 – Rs 59.22 Crores (Rs 38.49 Crores) was charged to the statement of profit and loss for slow moving and obsolete inventories.

12. TRADE RECEIVABLES

Rs. in Crores

	2023	2022
Trade Receivables considered good - Secured	24.91	13.80
Trade Receivables considered good - Unsecured	773.42	821.35
Trade Receivables - Credit Impaired	39.69	39.18
	838.02	**874.33**
Less : Allowance for Credit Impairment	(39.69)	(39.18)
Total Trade Receivables	**798.33**	**835.15**

Secured receivables are backed by security deposits. Trade receivables considered good – Unsecured includes receivables amounting to Rs 41.22 Crores (Rs 101.86 Crores) due from a related party.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Ageing of Trade Receivables:

Rs. in Crores

Particulars	Not Overdue	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2023							
Undisputed Trade receivables considered good- Unsecured	493.24	221.49	14.91	19.23	-	-	748.87
Undisputed Trade receivables considered good- Secured	46.03	1.97	0.55	0.91	-	-	49.46
Undisputed Trade Receivables – credit impaired	-	2.16	1.19	3.63	17.12	4.78	28.88
Disputed Trade Receivables – credit impaired	-	-	-	-	10.81	-	10.81
	539.27	**225.62**	**16.65**	**23.77**	**27.93**	**4.78**	**838.02**
Less: Allowance for credit loss							(39.69)
Total Trade Receivables							**798.33**
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**

13. CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES

Rs. in Crores

	2023	2022
Cash and Cash Equivalents		
Balances with Bank		
Current Account	741.81	636.17
Deposit Account	797.61	861.79
Cash/Cheques in hand	0.14	0.01
	1539.56	**1497.97**
Other Bank Balances		
Deposit Account	1242.68	1088.71
Unclaimed Dividend Account	14.70	13.21
	1257.38	**1101.92**
	2796.94	**2599.89**

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, 2023

14. EQUITY SHARE CAPITAL AND OTHER EQUITY

(a) Equity Share Capital

Rs. in Crores

	2023	2022
Authorised		
1250000000 (1250000000) Equity Shares of Re.1 each	125.00	125.00
Issued, Subscribed and Paid-Up		
929011650 (921551715) Equity Shares of Re.1 each, fully paid-up	92.90	92.16
	92.90	**92.16**

i) The reconciliation of the number of shares as at March 31, 2023 is set out below:

Rs. in Crores

Particulars	2023	2022
Number of shares as at the beginning of the year	921551715	921551715
Add: Shares issued during the year	7459935	-
Number of shares as at the end of the year	929011650	921551715

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 Patent 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, 2023) pursuant to contracts without payment being received in cash

During the year, the Parent Company has acquired 10.15% additional stake in Tata Consumer Products UK Group Limited, an overseas subsidiary from Tata Enterprises (Overseas) AG (TEO), thereby making it a wholly owned subsidiary of the Parent Company. This transaction was approved by the Shareholder of the Parent Company on April 29, 2022 and was consummated on October 21, 2022 through preferential issue of 7459935 equity shares of the Parent Company to TEO at a price of Rs. 765.16 per equity share. Accordingly, the Equity Share capital and Securities Premium has been credited with Rs 0.74 Crores and Rs 570.06 Crores respectively on the settlement of the purchase consideration. The effect of the said transaction with non-controlling interest is reflected in the Statement of Changes in Equity.

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) Details of shareholders holding more than 5% shares:

Name of shareholder	2023 No. of shares % of holding	2022 No. of shares % of holding
Tata Sons Private Limited	270557128	270557128
	29.12%	29.36%
Life Insurance Corporation of India	63538449	-
	6.84%	-

Notes
to the Consolidated Financial Statements for the year ended March 31, 2023

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, 2023	270557128	29.12%	-0.24%
As at March 31, 2022	270557128	29.36%	-

vi) Dividend paid

Rs. in Crores

	2023	2022
Dividend Paid (Rs. in Crores)	557.54	373.23
Dividend per share (Rs.)	6.05	4.05

The Board of Directors in its meeting held on April 25, 2023 has recommended a final dividend payment of Rs 8.45 per share for the financial year ended March 31, 2023.

(b) Other Equity

Rs. in Crores

	2023	2022
Capital Reserve	15.79	15.79
Securities Premium	7000.93	6430.87
Share Based Payment Reserve	4.50	0.46
Capital Redemption Reserve	0.10	0.10
Contingency Reserve	1.00	1.00
Amalgamation Reserves	8.33	8.33
Revaluation Reserve	21.86	21.86
General Reserve	1184.69	1184.69
Retained Earnings	7372.30	6972.49
Other Comprehensive Income		
- Effective portion of Cash Flow Hedge	(1.77)	15.88
- Fair value gains/(loss) on Equity Instruments	7.24	0.11
- Foreign Currency Translation Reserve	568.84	398.20
Total Other Equity	**16183.81**	**15049.78**

Nature and Purpose of Reserve

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.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

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.

15. BORROWINGS

Rs. in Crores

	2023	2022
(Secured unless otherwise stated)		
Non Current		
Loan From Banks		
Term Loan	270.71	298.15
	270.71	**298.15**
Less : Maturing within the next 12 months	(64.59)	(56.28)
Total Non current Borrowings	**206.12**	**241.87**
Current		
Loan from Banks		
Current Maturities of Long Term Borrowings	64.59	56.28
Bank Overdraft	649.17	520.86
Working Capital Facilities	8.17	-
Working Capital Facilities - Unsecured	254.77	191.58
Total Current Borrowings	**976.70**	**768.72**
Total Borrowings	**1182.82**	**1010.59**

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 265.50 Crores (Rs 298.15 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 net worth.

Debt amounting to Rs 5.21 Crores is repayable in equal monthly instalments over a period of ranging between 2 and 45 months. The borrowing is secured over movable assets.

Current Borrowings

Bank Overdraft

Bank overdrafts of Rs 638.45 Crores (Rs 520.86 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).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

The remaining bank overdraft of Rs. 10.72 Crores pertains to certain overseas subsidiaries secured by way of hypothecation of raw materials, finished goods, stores and spares and book debts.

Working Capital Facilities

Working capital facilities of Rs. 8.17 Crores are secured by way of hypothecation of raw materials, finished goods, stores and spares and book debts.

16. OTHER FINANCIAL LIABILITIES

Rs. in Crores

	2023	2022
Non-Current		
Contingent consideration payable	91.38	76.91
Purchase commitments for Non Controlling Interests' shares	57.25	-
Others	12.08	16.23
	160.71	**93.14**
Current		
Security Deposits from Customers	-	1.64
Unpaid Dividends	14.70	13.21
Derivative Financial Liabilities		
Currency Hedges	3.89	20.58
Commodity Hedges	0.93	-
Interest rate swap	-	4.51
Other Payables	208.46	171.84
	227.98	**211.78**
Total Financial Liabilities	**388.69**	**304.92**

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

17. PROVISIONS

Rs. in Crores

	2023	2022
Non Current		
Employee Benefits	167.49	175.59
	167.49	**175.59**
Current		
Employee Benefits	35.76	40.93
Other Provisions	41.64	32.28
	77.40	**73.21**
Total Provisions	**244.89**	**248.80**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Movement in Other Provisions - Current

Rs. in Crores

	2023	2022
Business Restructuring and Reorganisation Cost		
Opening Balance	30.54	54.65
Provision made during the year	28.87	7.81
Amount paid / adjusted during the year	(19.51)	(31.95)
Translation exchange difference	-	0.03
Closing Balance	**39.90**	**30.54**
Provisions for Trade Obligation		
Opening Balance	1.74	1.74
Closing Balance	**1.74**	**1.74**
Total Closing Balance	**41.64**	**32.28**

18. TRADE PAYABLES

Rs. in Crores

	2023	2022
Trade Payables	2300.65	1863.94
Trade Payables to related parties	47.53	51.91
Total Trade Payables	**2348.18**	**1915.85**

Ageing of Trade Payables:

Rs. in Crores

Particulars	Not Overdue	Outstanding for the following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023						
Others	977.53	1299.39	55.74	4.09	4.59	2341.34
Disputed Dues	-	-	-	-	6.84	6.84
	977.53	**1299.39**	**55.74**	**4.09**	**11.43**	**2348.18**
As at March 31, 2022						
Others	819.68	1058.31	20.62	3.89	6.51	1909.01
Disputed Dues	-	-	-	-	6.84	6.84
	819.68	**1058.31**	**20.62**	**3.89**	**13.35**	**1915.85**

19. OTHER CURRENT LIABILITIES

Rs. in Crores

	2023	2022
Statutory Liabilities	62.18	32.62
Advance from Customers	51.50	44.18
Others	59.81	55.35
Total Other Current Liabilities	**173.49**	**132.15**

Notes
to the Consolidated Financial Statements for the year ended March 31, 2023

20. TAXATION

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

Rs. in Crores

	2023	2022
Current tax		
Current year	381.17	226.29
Adjustment relating to earlier years	(4.41)	(6.05)
	376.76	**220.24**
Deferred tax charge/(credit)	**70.28**	**156.80**
Income Tax expense for the year	**447.04**	**377.04**

(b) Reconciliation of tax expense and tax based on accounting profit:

Rs. in Crores

	2023	2022
Profit before tax	**1793.56**	**1455.99**
Tax at Indian tax rate of 25.17% (PY - 25.17%)	451.40	366.44
Effects of:		
Difference in tax rate	(19.76)	(6.06)
Impact of change in UK tax rate	4.76	6.45
Non-deductible tax expenses	15.41	7.61
Income exempt from income taxes	(20.70)	(5.70)
Expense subject to enhanced deduction	(7.71)	(6.27)
Non-creditable taxes	7.34	12.21
Tax reversals of previous years	(4.41)	(6.05)
Losses for which no deferred tax asset is recognised	23.30	18.28
Recognition of tax effect of previously unrecognised tax losses	(5.29)	(10.24)
Others	2.70	0.37
	447.04	**377.04**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

(c) Income tax assets / (liabilities)

Rs. in Crores

	2023	2022
Non-current tax assets		
Income Tax	139.76	121.12
Dividend Distribution Tax Credit	20.54	20.54
	160.30	**141.66**
Current tax assets		
Income Tax	20.83	1.33
	20.83	**1.33**
Total Tax Assets	**181.13**	**142.99**
Non-current tax liabilities		
Income Tax	-	13.49
	-	**13.49**
Current tax liabilities (Net)		
Income Tax	65.92	20.40
	65.92	**20.40**
Total Tax Liabilities	**65.92**	**33.89**
Net Income tax assets / (liabilities)	**115.21**	**109.10**

(d) Analysis of deferred tax assets and deferred tax liabilities:

Rs. in Crores

	2023	2022
Deferred Tax Assets	48.64	42.72
Deferred Tax Liabilities	(863.04)	(776.41)
Net Deferred Tax Assets / (Liabilities)	**(814.40)**	**(733.69)**

(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
As at April 1, 2021	**(612.86)**	**5.96**	**74.79**	**(532.11)**
Acquisition through 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)
Transalation exchange difference	(3.96)	1.26	0.57	(2.13)
As at March 31, 2022	**(788.28)**	**(19.13)**	**73.72**	**(733.69)**
Acquisition through business combination	(35.52)	-	(0.79)	(36.31)
Statement of Profit and Loss (charge) /credit	(83.33)	2.12	10.93	(70.28)
(Charge)/credit relating to other comprehensive income	(19.20)	26.51	26.59	33.90
Transalation exchange difference	(14.08)	0.10	5.96	(8.02)
As at March 31, 2023	**(940.41)**	**9.60**	**116.41**	**(814.40)**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

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 1st 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, 2023, unrecognised deferred tax assets on account of tax losses amount to Rs 263.72 Crores (Rs 245.09 Crores) in various jurisdictions, which can be carried forward up to a specified period or indefinitely.

21. REVENUE FROM OPERATIONS

Rs. in Crores

	2023	2022
Revenue from contract with customers		
Revenue from sale of goods	13653.46	12338.10
Revenue from sale of services	6.35	8.91
	13659.81	**12347.01**
Other Operating Revenues		
Royalty Income	42.99	29.72
Government Incentive	23.34	8.87
Miscellaneous Receipts	57.02	39.77
	123.35	**78.36**
	13783.16	**12425.37**

22. OTHER INCOME

Rs. in Crores

	2023	2022
Interest Income		
Interest Income on Advances and Deposits carried at amortised cost	123.08	79.01
Interest on tax refund	5.53	6.38
Dividend income		
Non-current investments designated at fair value through OCI	2.58	2.12
Others		
Fair value movement in Financial instruments at fair value through profit or loss	(3.96)	13.49
Gains on Current Investments (net)	24.20	8.94
Other non operating income	17.45	30.12
	168.88	**140.06**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

23. COST OF MATERIALS CONSUMED

Rs. in Crores

	2023	2022
Raw Materials Consumed	4204.03	4107.83
Packing Materials Consumed	1172.53	800.53
	5376.56	**4908.36**

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

Rs. in Crores

	2023	2022
Stock as at April 1		
Finished Goods	629.56	648.40
Stock-in-Trade	286.85	227.53
Work-in-Progress	48.27	48.29
	964.68	**924.22**
Stock as at March 31		
Finished Goods	869.37	629.56
Stock-in-Trade	329.87	286.85
Work-in-Progress	50.74	48.27
	1249.98	**964.68**
	(285.30)	**(40.46)**
Add/Less: Adjustment due to acquisition on Business Combination	(11.42)	(0.68)
	(273.88)	**(39.78)**

25. EMPLOYEE BENEFITS EXPENSE

Rs. in Crores

	2023	2022
Salaries, Wages and Bonus*	1012.91	953.23
Contribution to Provident Fund and other Funds	70.77	65.11
Workmen and Staff Welfare Expenses	36.68	29.66
	1120.36	**1048.00**

* Includes Rs 4.04 Crores (Rs 0.46 Crores) towards share based payment incentives

Employee Shared based payment incentives

The Parent Company has share based incentives for certain employees 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 and will be settled through equity shares only. 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 Parent Company has granted performance share units at an exercise price of Re 1 per share. Shares granted will vest after 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.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Reconciliation of Performance Share Units (Numbers)	2023	2022
Outstanding at the beginning of the year	65780	-
Granted during the year	113545	65780
Forfeited/Expired during the year	(14645)	-
Exercised during the year	-	-
Outstanding at the end of the year	164680	65780
Remaining Contractual Life	22-29 Months	34 Months

During the year, the performance shares units were granted on May 04, 2022 and August 10, 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 8.59 Crores (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

	2023	2022
Interest Expense on financial liabilities valued at amortised cost	55.38	37.97
Interest expense on lease liabilities	26.75	27.12
Net Interest on defined benefit plans	5.03	7.16
Other Borrowing Cost	-	0.53
	87.16	**72.78**

27. DEPRECIATION AND AMORTISATION EXPENSE

Rs. in Crores

	2023	2022
Depreciation on Property, Plant and Equipment	137.98	124.37
Depreciation on Investment Property	0.19	0.61
Depreciation on Right of Use Assets	59.75	57.63
Amortisation of Intangible Assets	106.16	95.40
	304.08	**278.01**

28. OTHER EXPENSES

Rs. in Crores

	2023	2022
Manufacturing and Contract Packing Expenses	212.87	188.84
Consumption of Stores and Spare Parts	72.61	53.70
Power and Fuel	149.43	123.90
Repairs and Maintenance	120.19	96.52
Rent	70.60	68.64
Freight	633.64	597.71
Advertisement and Sales Charges	866.18	840.99
Legal and Professional Expenses	214.84	184.49
Miscellaneous Expenses	460.26	419.83
	2800.62	**2574.62**

Miscellaneous expenses include exchange gain of Rs 0.96 Crores (Rs 14.65 Crores) against which offsets are available elsewhere in the Statement of Profit and Loss.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

29. EXCEPTIONAL ITEMS

Rs. in Crores

	2023	2022
Income		
Profit on sale of Investment Property	147.54	-
Gain on conversion of Joint Ventures into Subsidiaries	93.15	-
Others	2.05	-
	242.74	**-**
Expenditure		
Re-organisation/business restructure costs	(79.46)	(46.17)
Expenses in connection with the acquisition of business	-	(1.80)
Expenses in connection with the proposed scheme of arrangement	(3.83)	(4.09)
	(83.29)	**(52.06)**
	159.45	**(52.06)**

30. EARNINGS PER SHARE

	2023	2022
Group Net Profit attributable to owners of parent (Rs in Crores)	1203.77	935.78
Weighted average number of Equity Shares Outstanding during the year	924862700	921551715
Add: Effect of dilutive equity shares - Weighted average number of Performance share unit outstanding	164414	15679
Weighted average number of Equity Shares (including dilutive shares) Outstanding during the year	925027114	921567394
Earnings Per Share (Rs.)		
Basic	**13.02**	**10.15**
Diluted	**13.02**	**10.15**

31. RESEARCH & DEVELOPMENT EXPENDITURE RECOGNISED DURING THE YEAR

Rs. in Crores

		2023	2022
i.	Capital	5.36	1.81
ii	Revenue	30.99	22.06
		36.35	**23.87**

32. CAPITAL COMMITMENT

a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2023 – Rs 173.56 Crores (Rs 233.99 Crores).

b) Commitment towards Share Capital contributions in Joint Ventures & Associates - Rs 25.00 Crores (Rs 171.00 Crores).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

33. CONTINGENCIES:

a) Statutory and Commercial claims:

Rs. in Crores

		2023	2022
i.	Taxes, Statutory Duties/ Levies etc.	44.01	47.13
ii.	Commercial and other Claims	11.20	4.41
		55.21	**51.54**

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 0.65 Crores).

34. 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. Plaintiff had filed appeal in April, 2021, which was heard by California Court of Appeal in September 2022 and in November 2022, the Court of Appeal ruled in the Defense's favour confirming the trial court's dismissal of the case. CERT sought a rehearing which the Court of Appeal declined. In December 2022, CERT filed a petition for review to the California Supreme Court which was denied in February 2023. The Defense now await the Supreme Court's remittitur to the Court of Appeal, which, in turn, will issue a remittitur to the trial court to affirm the judgment in defendant's favour. While the Company believes that the California state court actions, now concluded, are dispositive of the matter, CERT has a right to seek review from the US Supreme Court until mid-May 2023.

35. 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, 2023

Rs. in Crores

	2023	2022
Current Lease Liabilities	55.01	50.51
Non-Current Lease Liabilities	362.21	350.91
Total Lease Liabilities	**417.22**	**401.42**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Contractual maturities of lease liabilities on an undiscounted basis:

Rs. in Crores

	2023	2022
Less than one year	88.04	87.22
One to two years	71.15	77.21
Two to five years	145.22	139.23
More than five years	353.50	371.46
Total	**657.91**	**675.12**

Expenses recognised on account of short-term and low value leases are disclosed under Rent in Other Expenses (Refer Note 28).

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

	2023	2022
Balance at beginning of the year	7.07	8.20
Additions to net investment during the year	1.41	-
Interest Income accrued during the year	0.21	0.25
Lease Receipts	(1.12)	(1.38)
Balance at the end of the year	**7.57**	**7.07**

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

Rs. in Crores

	2023	2022
Less than one year	1.31	1.14
One to two years	1.34	0.78
Two to three years	0.79	0.79
Three to Four years	0.79	0.79
Four to Five years	0.79	0.79
More than five years	2.74	3.50
Total	**7.76**	**7.79**

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36. INTEREST IN OTHER ENTITIES

a) Subsidiaries

The Group's subsidiaries as at March 31, 2023 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 (%)	
				2023	2022	2023	2022
1	Tata Consumer Products UK Group Ltd.	U K	Holding company	100.00	89.85	-	10.15
	Subsidiaries of Tata Consumer Products UK Group Ltd.						
2	Tata Global Beverages Holdings Ltd.	U K	Dormant	100.00	89.85	-	10.15
3	Tata Global Beverages Services Ltd.	U K	Dormant	100.00	89.85	-	10.15
4	Tata Consumer Products GB Ltd.	U K	Manufacturing of tea, marketing and distribution of beverages and food products	100.00	89.85	-	10.15
5	Tata Consumer Products Overseas Holdings Ltd.	U K	Holding company	100.00	89.85	-	10.15
6	Tata Global Beverages Overseas Ltd.	U K	Dormant	100.00	89.85	-	10.15
7	Lyons Tetley Ltd.	U K	Dormant	100.00	89.85	-	10.15
8	Drassington Ltd.	U K	Dormant	100.00	89.85	-	10.15
9	Teapigs Ltd.	U K	Marketing and distribution of tea	100.00	89.85	-	10.15
10	Teapigs US LLC	USA	Marketing and distribution of tea	100.00	89.85	-	10.15
11	Stansand Ltd.	U K	Dormant	100.00	89.85	-	10.15
12	Stansand (Brokers) Ltd.	U K	Dormant	100.00	89.85	-	10.15
13	Stansand (Africa) Ltd.	Kenya	Purchase and sale of tea	100.00	89.85	-	10.15
14	Stansand (Central Africa) Ltd.	Malawi	Purchase and sale of tea	100.00	89.85	-	10.15
15	Tata Consumer Products Polska sp.zo.o	Poland	Marketing and distribution of tea	100.00	89.85	-	10.15
16	Tata Consumer Products US Holdings Inc.	USA	Holding company	100.00	89.85	-	10.15
17	Tetley USA Inc.	USA	Marketing and distribution of tea	100.00	89.85	-	10.15
18	Tata Waters LLC	USA	Marketing and distribution of beverages and food products	100.00	89.85	-	10.15
19	Good Earth Corporation.	USA	Holding company	100.00	89.85	-	10.15
20	Good Earth Teas Inc.	USA	Marketing and distribution of tea	100.00	89.85	-	10.15
21	Tata Consumer Products Canada Inc.	Canada	Marketing and distribution of beverages and food products	100.00	89.85	-	10.15
22	Tata Consumer Products Australia Pty Ltd.	Australia	Marketing and distribution of tea	100.00	89.85	-	10.15
23	Earth Rules Pty Ltd.	Australia	Dormant	100.00	89.85	-	10.15
24	Tata Global Beverages Investments Ltd.	U K	Dormant	100.00	89.85	-	10.15
25	Campestres Holdings Ltd.	Cyprus	Holding company	100.00	89.85	-	10.15
26	Kahutara Holdings Ltd.	Cyprus	Holding company	100.00	89.85	-	10.15

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Sl No.	Name of entity	Country of incorporation	Principal Activities	Effective ownership (%)		Interest held by non-controlling interests (%)	
				2023	2022	2023	2022
27	Suntyco Holding Ltd.	Cyprus	Holding company	100.00	89.85	-	10.15
28	Onomento Co Ltd.	Cyprus	Holding and assignment of Trademark	100.00	89.85	-	10.15
29	Joekels Tea Packers (Proprietary) Ltd. (w.e.f December 28, 2022)	South Africa	Manufacturing, marketing and distribution of tea	75.00	-	25.00	-
30	Tetley ACI (Bangladesh) Ltd.(w.e.f February 9, 2023)	Bangladesh	Manufacturing, marketing and distribution of tea	100.00	-	-	-
31	Tata Consumer Products Capital Ltd.	UK	Holding company	100.00	100.00	-	-
32	Tata Coffee Ltd.	India	Manufacturing, marketing and distribution of Coffee & tea	57.48	57.48	42.52	42.52
	Subsidiaries of Tata Coffee Ltd.						
33	Tata Coffee Vietnam Company Ltd.	Vietnam	Manufacturing, marketing and distribution of Coffee	57.48	57.48	42.52	42.52
34	Consolidated Coffee Inc.	USA	Holding company	78.70	78.70	21.30	21.30
	Subsidiaries of Consolidated Coffee Inc.						
35	Eight O'Clock Holdings Inc.	USA	Holding company	78.70	78.70	21.30	21.30
36	Eight O'Clock Coffee Company.	USA	Manufacturing, marketing and distribution of Coffee	78.70	78.70	21.30	21.30
37	Tata Tea Extractions Inc.	USA	Manufacturing, marketing and distribution of tea	100.00	100.00	-	-
38	NourishCo Beverages Ltd.	India	Marketing and distribution of Water	100.00	100.00	-	-
39	Tata Consumer Soulfull Private Ltd.	India	Manufacturing, marketing and distribution of Food Products	100.00	100.00	-	-
40	Tata Smartfoodz Ltd.	India	Manufacturing, marketing and distribution of Food Products	100.00	100.00	-	-
41	TCPL Beverages & Foods Ltd.	India	Manufacturing, marketing and distribution of Beverages & Food Products	100.00	100.00	-	-
42	TRIL Constructions Ltd.	India	Development of real estate and infrastucture facilities	80.46*	80.46*	19.54	19.54
43	Tata Tea Holdings Private Ltd.	India	Investment company	100.00	100.00	-	-

* on fully diluted basis

During the year, the Parent Company has acquired 10.15% additional stake in Tata Consumer Products UK Group Limited, an overseas subsidiary from Tata Enterprises (Overseas) AG, thereby making it a wholly owned subsidiary of the Parent Company (Refer Note 14).

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(b) Non-Controlling Interest (NCI)

The material non-controlling interests in the Group arise from the Group's 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.). In the previous year, material non-controlling interest included 10.15% minority stake in Tata Consumer Products UK Group (Intermediate holding Company in the UK) which was acquired by Group during the year.

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

	Tata Coffee Ltd (CFS)		TCP UK Group Ltd (CFS)	
	2023	**2022**	**2023**	**2022**
Non-current assets	2655.19	2489.16	-	4080.18
Current assets	1404.28	1199.53	-	2188.41
Total Assets	**4059.47**	**3688.69**	**-**	**6268.59**
Non-current liabilities	715.08	773.86	-	133.22
Current liabilities	993.21	889.28	-	1055.28
Total Liabilities	**1708.29**	**1663.14**	**-**	**1188.50**
Net Assets	**2351.18**	**2025.55**	**-**	**5080.09**
Accumulated Non Controlling Interest	761.27	645.57	-	472.92

Summarised Statement of Profit and Loss:

Rs in Crores

	Tata Coffee Ltd (CFS)		TCP UK Group Ltd (CFS)	
	2023	**2022**	**2023**	**2022**
Revenue	2850.15	2363.50	-	2032.67
Profit/(Loss) for the year	321.16	233.40	-	152.50
Other Comprehensive Income	83.81	87.80	-	(24.90)
Total Comprehensive Income	**404.97**	**321.20**	**-**	**127.60**
Profit allocated to NCI	111.89	62.80	-	16.62
Total Comprehensive Income allocated to NCI	133.32	74.37	-	13.91
Dividend paid to NCI (including dividend tax)	15.88	11.91	-	13.48

Summarised Statement of Cash Flows:

Rs in Crores

	Tata Coffee Ltd (CFS)		TCP UK Group Ltd (CFS)	
	2023	**2022**	**2023**	**2022**
Cash Flows from operating activities	292.80	143.29	-	211.95
Cash Flows from investing activities	(16.79)	(8.05)	-	(394.41)
Cash Flows from financing activities	(232.93)	(296.52)	-	(142.97)
Net increase/ (decrease) in cash and cash equivalents	**43.08**	**(161.28)**	**-**	**(325.43)**

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(c) Interest in Joint Ventures and Associates

Rs. in Crores

	2023	2022
Investment in Joint Ventures	274.62	224.63
Investment in Associates	18.04	9.68
	292.66	**234.31**

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 2023	% holding 2022
1	Tata Starbucks Private Ltd.	India	Operating Starbucks Cafes in India	50.00	50.00
2	Tetley Clover (Pvt) Ltd. (under liquidation)	Pakistan	Manufacturing, marketing and distribution of tea	50.00	50.00
3	Tetley ACI (Bangladesh) Ltd. (upto February 8, 2023)	Bangladesh	Manufacturing, marketing and distribution of tea	-	50.00
4	Joekels Tea Packers (Proprietary) Ltd. (upto December 27, 2022)	South Africa	Manufacturing, marketing and distribution of tea	-	51.70

An analysis of the Group's investments in joint ventures is as follows:

Rs. in Crores

	2023	2022
April 1	224.63	185.53
Addition	100.00	86.00
Disposal	(33.09)	-
Share of Profits / (Loss)	(4.74)	(37.53)
Share of Other Comprehensive Income	0.75	(0.35)
Dividend Received	(10.92)	(11.38)
Translation exchange difference	(2.01)	2.36
March 31	**274.62**	**224.63**

Addition relates to additional equity investment in Tata Starbucks Private Ltd. – Rs 100.00 Crores (Rs 86.00 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

	2023	2022
Profit / (loss) after tax	(10.02)	(75.81)
Other Comprehensive Income	1.50	(0.70)
Total Comprehensive Income	**(8.52)**	**(76.51)**

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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.

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 2023	% holding 2022
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

An analysis of the Group's investments in associates is as follows:

Rs. in Crores

	2023	2022
April 1	**9.68**	**21.74**
Addition / Adjustment	-	10.98
Disposal	-	1.28
Share of Profits / (Loss)	(21.64)	(26.26)
Share of Other Comprehensive Income	(3.46)	2.42
Dividend Received	(0.24)	(0.48)
March 31	**(15.66)**	**9.68**
Adjusted with Investment in Preference Shares	33.70	-
Investment in Associates	**18.04**	**9.68**

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

	2023	2022
Profit / (loss) after tax	(51.57)	(63.88)
Other Comprehensive Income	(10.18)	7.77
Total Comprehensive Income	**(61.75)**	**(56.11)**

Other comprehensive income mainly represents re-measurement losses on defined benefits obligation.

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37. FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

Rs. in crores

2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments								
Quoted Equity Investments	-	25.67	-	25.67	25.67	-	-	25.67
Unquoted Equity Investments *	-	141.84	-	141.84	-	9.63	132.21	141.84
Unquoted Preference Shares	218.06	-	-	218.06	-	-	218.06	218.06
Unquoted Government securities	-	-	96.14	96.14	-	-	-	-
Units of Mutual Funds	658.60	-	-	658.60	658.60	-	-	658.60
Loans								
Non-current	-	-	12.52	12.52	-	-	-	-
Current	-	-	529.72	529.72	-	-	-	-
Trade Receivables	-	-	798.33	798.33	-	-	-	-
Cash and Cash Equivalent	-	-	1539.56	1539.56	-	-	-	-
Other Bank balances	-	-	1257.38	1257.38	-	-	-	-
Other Financial Assets								
Non-current	-	-	42.80	42.80	-	-	-	-
Current	12.83	7.34	172.69	192.86	-	20.17	-	20.17
	889.49	**174.85**	**4449.14**	**5513.48**	**684.27**	**29.80**	**350.27**	**1064.34**
Financial liabilities								
Borrowings								
Non-current	-	-	206.12	206.12	-	-	-	-
Current	-	-	976.70	976.70	-	-	-	-
Lease Liabilities								
Non-current	-	-	362.21	362.21	-	-	-	-
Current	-	-	55.01	55.01	-	-	-	-
Trade payables	-	-	2348.18	2348.18	-	-	-	-
Other Financial Liabilities								
Non-current	148.63	-	12.08	160.71	-	-	148.63	148.63
Current	-	4.23	223.16	227.98	-	4.82	-	4.82
	148.63	**4.23**	**4183.46**	**4336.91**	**-**	**4.82**	**148.63**	**153.45**

Rs. in crores

2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
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
	435.01	**166.67**	**4290.27**	**4891.95**	**217.95**	**46.04**	**337.69**	**601.68**
Financial liabilities								
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
	97.49	**4.51**	**3530.78**	**3632.78**	**20.58**	**81.42**	**-**	**102.00**

* For certain unquoted equity 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. For other assets and liabilities categorised under level 3, a one percentage point change in the unobservable inputs used in fair valuation does not have a significant impact in its value.

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.

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Movement of allowance for credit impairment of trade receivables are as follows:

Rs. in Crores

	2023	2022
As at April 1	**39.18**	**37.95**
Impairment loss recognised	0.37	1.20
Translation exchange difference	0.14	0.03
As at March 31	**39.69**	**39.18**

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

2023	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 Years
Borrowings	976.70	53.24	117.74	38.79
Trade payables	2348.18	-	-	-
Other financial liabilities	217.85	13.81	116.39	105.75
	3542.73	**67.05**	**234.13**	**144.54**

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	-
	2909.85	**61.18**	**196.75**	**74.56**

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.

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, 2023, 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

2023	USD	GBP	CAD	Other Currencies	Total
Trade Receivable and Other Financial Assets including loans/advances	253.93	7.97	-	29.28	291.18
Trade Payables and Other Financial Liabilities	93.87	0.32	-	80.72	174.91

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

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The following table gives details in respect of outstanding foreign currency forward and option contracts:

Category		Currency pair	2023			2022		
			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	CAD / GBP	16.00	97.05	2.11	21.00	126.93	(1.32)
		USD / INR	29.39	241.64	0.13	25.55	193.66	0.99
		AUD / INR	6.60	36.29	0.04	6.00	34.01	(0.90)
		EUR / INR	1.01	9.02	(0.55)	1.41	11.82	0.27
		GBP/INR	0.99	10.05	(0.20)	0.74	7.36	0.16
ii)	Payables	USD / GBP	31.00	254.84	(3.30)	21.00	159.15	5.28
		EUR / GBP	9.25	82.70	(0.24)	8.89	74.64	0.41
iii)	Loans given	USD / GBP	20.75	170.58	2.66	20.39	154.52	(3.78)
iv)	Loan to subsidiaries	USD / GBP	64.75	532.29	8.30	73.11	554.10	(13.57)
v)	Receivables from Subsidiaries	CAD / GBP	2.80	16.98	0.02	1.40	8.46	(0.00)
		USD / GBP	14.50	119.20	1.86	14.50	109.89	(2.69)
vi)	Bank Deposits	USD/VND	0.40	3.29	(0.01)	0.71	5.37	(0.01)

* converted at the year end exchange rates

Fair value represents impact of mark to market value as at year end.

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	2023		2022	
	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	2.52	(23.78)	1.72	(15.71)
5% depreciation of the underlying foreign currencies	(2.52)	24.98	(1.72)	16.25

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:

Category	Currency pair	2023			2022		
		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	17.64	145.01	4.09	22.33	169.23	(4.51)

* 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:

Rs. in Crores

Change	2023 Effect on Profit before tax	2022 Effect on Profit before tax
25 basis points increase	(0.31)	(0.35)
25 basis points decrease	0.31	0.35

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.

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	2023			2022		
		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)	15.83	130.11	2.23	24.85	188.37	2.72
b) Coffee	Options (Net)	1.56	12.85	0.10	3.15	23.84	0.38

* converted at the year end exchange rate
Fair value represents impact of mark to market value as at year end

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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, 2023 was as follows

Rs. in Crores

	2023	2022
Total Borrowings	1182.82	1010.59
Less : Cash and cash equivalent including bank deposits	2782.24	2586.68
Less : Current Investments	754.74	198.03
Less : Inter-corporate Loans (excludes accrued interest)	539.00	670.65
Adjusted net (cash) / debt	**(2893.16)**	**(2444.77)**
Total Equity	**17126.88**	**16293.56**

38. 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 53.49 Crores (Rs 50.15 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 6 April 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.

The table below outlines the net position of the Group's post-employment benefits plan:

Rs. in Crores

	2023	2022
Defined benefits - India		
Pension	1.42	1.87
Gratuity	(4.02)	0.98
Post employment medical benefits	55.77	58.29
Others	101.96	106.96
Defined benefits - Overseas		
Pension	(102.74)	(224.42)
Life Assurance benefits	3.10	3.43
Post employment medical benefits	6.65	6.49
Liabilities / (Assets) in the balance sheet	**62.14**	**(46.40)**

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Net Liabilities / (Assets) recognised in balance sheet for defined benefits:

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Present Value of Funded defined benefit obligation at the year end	2.43	3.56	154.43	155.82	-	-	-	-	1155.57	1479.57
Fair value of plan assets at the end of the year	3.42	3.81	158.45	154.84	-	-	-	-	1258.31	1703.99
	(0.99)	**(0.25)**	**(4.02)**	**0.98**	**-**	**-**	**-**	**-**	**(102.74)**	**(224.42)**
Present Value of Unfunded defined benefit obligation at the year end	2.08	1.83	-	-	55.77	58.29	101.96	106.96	-	-
Asset ceiling	0.33	0.29	-	-	-	-	-	-	-	-
Amount recognised in Balance Sheet	**1.42**	**1.87**	**(4.02)**	**0.98**	**55.77**	**58.29**	**101.96**	**106.96**	**(102.74)**	**(224.42)**

Changes in the Defined Benefit Obligation :

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Opening Defined Benefit Obligation	5.39	6.19	155.82	151.51	58.29	67.86	106.96	110.00	1479.57	1554.06
Acquired on Business Combination	-	-	-	0.67	-	-	-	-	-	-
Current Service cost	-	-	11.12	10.98	1.28	1.74	3.86	3.95	-	-
Past Service Cost	-	-	-	0.02	-	-	(0.91)	-	-	-
Interest on Defined Benefit Obligation	0.31	0.34	10.16	9.38	3.99	4.33	7.22	6.90	37.67	31.35
Actuarial changes arising from change in experience	(0.25)	(0.25)	0.13	5.61	(1.35)	(10.00)	(2.23)	(1.42)	28.05	40.07
Actuarial changes arising from change in demographic assumption	0.02	0.02	0.07	(2.58)	-	-	-	-	-	-
Actuarial changes arising from changes in financial assumption	(0.09)	(0.10)	(6.95)	(4.85)	(4.75)	(4.25)	(5.91)	(5.63)	(347.23)	(70.12)
Benefits Paid	(0.87)	(0.81)	(15.93)	(14.32)	(1.69)	(1.39)	(7.03)	(6.84)	(61.62)	(53.55)
Liability assumed/(settled)	-	-	0.01	(0.60)	-	-	-	-	-	-
Translation exchange difference	-	-	-	-	-	-	-	-	19.13	(22.24)
Closing Defined Benefit Obligation	**4.51**	**5.39**	**154.43**	**155.82**	**55.77**	**58.29**	**101.96**	**106.96**	**1155.57**	**1479.57**

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to the Consolidated Financial Statements for the year ended March 31, 2023

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

Rs. in Crores

	India				Overseas	
	Pension		Gratuity		Pension	
	2023	2022	2023	2022	2023	2022
Opening fair value of Plan assets	3.81	5.14	154.84	147.66	1703.99	1760.49
Employers contribution	-	(1.50)	8.85	11.25	-	-
Interest on Plan Assets	0.19	0.23	10.53	9.55	43.47	35.40
Administrative cost	-	-	-	-	(4.03)	(7.07)
Actual return on plan assets less interest on plan assets	0.03	0.46	(0.05)	0.77	(442.02)	(5.84)
Benefits Paid	(0.61)	(0.52)	(15.74)	(14.31)	(61.62)	(53.55)
Assets acquired on Acquisition / (settled on Divestiture)	-	-	0.02	(0.08)	-	-
Translation exchange difference	-	-	-	-	18.52	(25.44)
Closing Fair value of plan assets	**3.42**	**3.81**	**158.45**	**154.84**	**1258.31**	**1703.99**

Expense recognised in the statement of profit and loss for the year:

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Current Service Cost	-	-	11.12	10.98	1.28	1.74	3.86	3.95	-	-
Past Service Cost	-	-	-	0.02	-	-	(0.91)	-	-	-
Interest cost on defined benefit obligation (net)	0.12	0.11	(0.37)	(0.17)	3.99	4.33	7.22	6.90	(5.80)	(4.05)
Total expense recognised in the statement of profit and loss	**0.12**	**0.11**	**10.75**	**10.83**	**5.27**	**6.07**	**10.17**	**10.85**	**(5.80)**	**(4.05)**

Amounts recognised in Other Comprehensive Income for the year:

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Actuarial changes arising from change in demographic assumption	0.02	0.02	0.07	(2.58)	-	-	-	-	-	-
Actuarial changes arising from changes in financial assumption	(0.09)	(0.10)	(6.95)	(4.85)	(4.75)	(4.25)	(5.91)	(5.63)	(347.23)	(70.12)
Actuarial changes arising from changes in experience assumption	(0.25)	(0.25)	0.13	5.61	(1.35)	(10.00)	(2.23)	(1.42)	28.05	40.07
Return on plan asset excluding interest Income	(0.03)	(0.46)	0.05	(0.77)	-	-	-	-	442.02	5.84
Adjustment to recognise the effect of asset ceiling	0.04	(0.28)	-	(0.04)	-	-	-	-	-	-
Total (gain) / loss recognised in Other Comprehensive Income	**(0.31)**	**(1.07)**	**(6.70)**	**(2.63)**	**(6.10)**	**(14.25)**	**(8.14)**	**(7.05)**	**122.84**	**(24.21)**

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to the Consolidated Financial Statements for the year ended March 31, 2023

Principal Actuarial assumptions used:

India	2023	2022
Discount rates	7.5%/7.6%	5.66%/6.60%/6.95%/7.10%
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	2023	2022
Discount rate	4.70%	2.70%
Inflation assumptions		
- RPI	3.55%	3.90%
Rate of increase in pensions in payment	3.80%	3.95%
Rate of increase in pensions in deferment	3.55%	3.90%
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, 2023 is as below:

Rs. in Crores

	India				Overseas
	Pension	Gratuity	Medical	Others	Pension
Impact of increase in 50 basis point in discount rate on Defined Benefit Obligation	(0.07)	(5.62)	(3.38)	(4.32)	(65.10)
Impact of decrease in 50 basis point in discount rate on Defined Benefit Obligation	0.07	6.01	3.75	4.67	71.21
Impact of increase in 50 basis point in salary escalation rate on Defined Benefit Obligation	-	5.98	-	-	-
Impact of decrease in 50 basis point in salary escalation rate on Defined Benefit Obligation	-	(5.63)	-	-	-
Impact of increase in 100 basis point in health care costs on Defined Benefit Obligation	-	-	7.78	0.16	-
Impact of decrease in 100 basis point in health care costs on Defined Benefit Obligation	-	-	(6.40)	(0.14)	-
Impact of increase in 50 basis point in RPI inflation rate on Defined Benefit Obligation	-	-	-	-	24.41
Impact of decrease in 50 basis point in RPI Inflation Rate on Defined Benefit Obligation	-	-	-	-	(23.40)
Impact of increase in 100 basis point in pension rate on Defined Benefit Obligation	0.06	-	-	2.50	-
Impact of decrease in 100 basis point in pension rate on Defined Benefit Obligation	(0.05)	-	-	(2.42)	-
Impact of increase in 1 year in Life Expectancy on Defined Benefit Obligation	0.12	-	3.04	4.05	39.67
Impact of decrease in 1 year in Life Expectancy on Defined Benefit Obligation	(0.12)	-	(3.07)	(4.05)	(40.69)

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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.

Major Categories of Plan Assets :

Rs. in Crores

	India				Overseas	
	Pension		Gratuity		Pension	
	2023	2022	2023	2022	2023	2022
Insurance managed Funds	3.35	3.67	158.30	154.61	-	-
Equities	-	-	-	-	-	146.96
Liability Driven Investments (LDI)	-	-	-	-	669.34	714.96
Multi asset credit	-	-	-	-	-	226.40
Diversified growth funds	-	-	-	-	-	118.17
Corporate bonds	-	-	-	-	572.70	469.69
Cash & Insurance policies	-	-	-	-	16.27	27.81
Others	0.07	0.14	0.15	0.23	-	-
Total	**3.42**	**3.81**	**158.45**	**154.84**	**1258.31**	**1703.99**

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, 2023 and March 31, 2022, 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. If the Scheme assets underperform this yield, it will increase the deficit.

– **Changes in bond yields**

A decrease in corporate bond yields will increase Scheme 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 the risk by approximately 100%.

– **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 100% of this risk.

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– **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.

Asset-liability matching strategies used by the overseas scheme

The Scheme's stated investment strategy includes holding a benchmark allocation of 50% 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 50% benchmark holding in corporate bonds.

Expected contributions over the next financial year:

The Group expect to contribute approximately Rs 4.10 Crores to the scheme in the year ending March 31, 2024.

Maturity Profile of defined benefit obligation (undiscounted basis)

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Within next 12 months	1.50	1.64	22.86	23.10	2.50	2.23	6.29	6.70	74.26	67.52
Between 2 and 5 years	2.11	2.56	59.23	56.01	10.94	9.76	29.85	30.30	247.19	233.36
Between 6 and 9 years	0.98	1.22	56.83	57.93	12.35	11.09	32.43	33.34	278.72	267.12
10 years and above	1.33	1.63	180.94	168.82	96.75	92.75	170.52	161.41	1637.74	1689.09

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, 2023 was Rs 3.10 Crores (Rs 3.43 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 4.80% p.a. and in the UK of 6.5% p.a. The liability recognised in the balance sheet as at March 31, 2023 was Rs 6.65 Crores (Rs 6.49 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

	2023	2022
Plan Assets as at year end	326.23	303.28
Present value of Funded Obligation at period end	326.23	303.28
Amount recognised in the Balance Sheet	-	-

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to the Consolidated Financial Statements for the year ended March 31, 2023

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

Rs. in Crores

	2023	2022
Guaranteed Rate of Return	8.15%	8.10%
Discount Rate for remaining term to Maturity of Investment	6.75%/7.55%	6.30%/6.80%
Expected Rate of Return on Investment	7.94%/8.14%	8.42%/8.47%

39. 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

	2023	2022
Branded Business		
India Business	8716.98	7913.54
International Business	3589.47	3335.66
Total Branded	**12306.45**	**11249.20**
Non Branded Business	**1500.07**	**1214.44**
Total Segments Revenue	**13806.52**	**12463.64**
Others	48.68	13.78
Less: Inter-Segment Revenue	(72.04)	(52.05)
Revenue from External Customer	**13783.16**	**12425.37**

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to the Consolidated Financial Statements for the year ended March 31, 2023

b) Segment Results

Rs. in Crores

	2023	2022
Branded Business		
India Business	1192.85	1011.67
International Business	379.81	478.37
Total Branded	**1572.66**	**1490.04**
Non-Branded Business	**122.42**	**92.65**
Total Segment Results	**1695.08**	**1582.69**
Add/Less:		
Other Income*	151.42	109.94
Finance Cost	(87.16)	(72.78)
Unallocable items	(125.23)	(111.80)
Exceptional Items	159.45	(52.06)
Profit before Income Tax	**1793.56**	**1455.99**

*Excludes other income considered as part of segment results.

c) Segment Assets and Liabilities

Rs. in Crores

Segment Assets	2023	2022
Branded Business		
India Business	9305.33	9099.75
International Business	6070.66	5384.58
Total Branded Business	**15375.99**	**14484.33**
Non-Branded Business	**1880.04**	**1752.27**
Total Segment	**17256.03**	**16236.60**
Unallocable Corporate Assets	5555.10	4880.99
Total Assets	**22811.13**	**21117.59**

Rs. in Crores

Segment Liabilities	2023	2022
Branded Business		
India Business	2058.79	1756.03
International Business	947.29	785.88
Total Branded Business	**3006.08**	**2541.91**
Non-Branded Business	**210.45**	**178.91**
Total Segment	**3216.53**	**2720.82**
Unallocable Corporate Liabilities	2467.72	2103.21
Total Liabilities	**5684.25**	**4824.03**

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to the Consolidated Financial Statements for the year ended March 31, 2023

d) Addition to non-current assets

Rs. in Crores

	2023	2022
Branded Business		
India Business	136.33	532.74
International Business	409.25	122.53
Total Branded Business	**545.57**	**655.27**
Non-Branded Business	**66.93**	**111.25**
Total Segments	**612.50**	**766.53**

Non-current assets do not include financial instruments, deferred tax assets, post-employment benefit assets.

e) Depreciation and Amortisation Expense

Rs. in Crores

	2023	2022
Branded Business		
India Business	173.84	155.18
International Business	73.51	68.01
Total Branded Business	**247.35**	**223.19**
Non-Branded Business	**56.73**	**54.82**
Total Segments	**304.08**	**278.01**

C. Additional information by Geographies

Rs. in Crores

Revenue by Geographical Market	2023	2022
India	9734.45	8711.70
USA	1848.30	1638.01
United Kingdom	1243.77	1232.44
Rest of the World	956.64	843.22
Revenue from External Customer	**13783.16**	**12425.37**

Rs. in Crores

Non-Current Assets by Geographical Market	2023	2022
India	8129.09	8156.82
USA	1807.60	1681.11
United Kingdom	2098.62	1933.71
Rest of the World	1404.80	1143.44
Total Non Current Assets	**13440.10**	**12915.08**

Notes to Segment information

a) 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.

b) Pricing of inter segment transfers are based on benchmark market prices.

c) Revenue from geographical market is based on the location of origin of sale.

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40. RELATED PARTY TRANSACTION

a) Related parties other than Joint Ventures and Associates with whom Group has transactions are given below, Refer Note 36 for list of Joint Ventures and Associates.

Promoter

Tata Sons Private Limited

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 Limited
Super Market Grocery Supplies Private Limited
Tata Limited
Tata Realty Infrastructure Limited
Tata Digital Limited
Innovative Retail Concepts Private Limited
Tata 1MG Healthcare Solutions Limited
Tata International West Asia DMCC

Key Managerial Personnel

Mr. Sunil D'Souza - Managing Director & CEO
Mr. L Krishna Kumar - Executive Director & Group CFO

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, 2023

(b) Particulars of transactions during the year ended March 31, 2023:

Rs in Crores

	2023	2022
Sale of Goods and Services		
- Joint Ventures	50.22	24.42
- Associates	1.76	2.99
- Subsidiaries and Joint Ventures of Promoter	223.89	159.92
Other Operating Income		
- Joint Ventures	32.62	19.08
- Associates	5.26	3.60
Purchase of Goods & Services		
- Joint Ventures	-	0.60
- Associates	177.78	214.33
- Subsidiaries and Joint Ventures of Promoter	52.75	49.85
Rent Paid		
- Associates	2.05	2.18
Other Expenses (Net)		
- Associates	15.78	6.80
- Promoter	34.30	30.36
- Subsidiaries and Joint Ventures of Promoter	97.76	98.26
Directors Remuneration *	14.37	14.07
Dividend Paid		
- Promoter	163.69	109.58
- Subsidiaries and Joint Ventures of Promoter	29.54	20.68
Dividend/Interest Received		
- Joint Ventures	10.78	10.76
- Associates	1.87	2.15
- Promoter	1.76	1.76
- Subsidiaries and Joint Ventures of Promoter	5.62	4.42
Reimbursement of Expenditure/(Income)		
- Joint Ventures	(0.28)	(1.82)
- Associates	(4.69)	(3.16)
- Promoter	0.09	0.17
Intercorporate Loan / Deposits Given		
- Associates	4.00	-
- Subsidiaries and Joint Ventures of Promoter	215.00	190.00
Deposit redeemed		
- Subsidiaries and Joint Ventures of Promoter	270.00	190.00
- Associates	4.25	3.50
Investments Made		
- Joint Ventures	100.00	86.00
- Associates	50.00	150.00
Investments Purchase		
- Subsidiaries and Joint Ventures of Promoter	-	488.34
Contribution to Funds - Employee Benefit Plans	32.17	34.50

* 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, 2023

c) Details of material transactions (i.e exceeding 10% in of total transaction values in respective category) with related party:

Rs in Crores

	2023	2022
Sale of Goods and Services		
- Joint Ventures		
Tata Starbucks Pvt. Ltd.	50.22	23.86
- Associates		
Amalgamated Plantations Pvt Limited.	0.89	2.55
- Subsidiaries and Joint Ventures of Promoter		
Supermarket Grocery Supplies Private Limited	93.09	58.64
Innovative Retail Concepts Private Limited	130.31	100.75
Other Operating Income		
- Joint Ventures		
Tata Starbucks Pvt. Ltd.	32.62	19.08
- Associates		
Kanan Devan Hills Plantation Company Pvt. Ltd.	5.26	3.60
Purchase of Goods & Services		
- Associates		
Amalgamated Plantations Pvt Ltd.	102.19	128.97
Kanan Devan Hills Plantation Company Pvt. Ltd.	75.59	85.36
- Subsidiaries and Joint Ventures of Promoter		
Tata Uganda Ltd.	39.51	34.77
Rent Paid		
- Associates		
Amalgamated Plantations Pvt Ltd.	1.44	1.38
Kanan Devan Hills Plantation Company Pvt. Ltd.	0.61	0.80
Other Expenses (Net)		
- Associate - Kanan Devan Hills Plantation Company Pvt. Ltd.	15.78	6.80
- **Promoter** - Tata Sons Private Limited	34.30	30.36
- Subsidiaries and Joint Ventures of Promoter		
Tata Consultancy Services Limited	30.54	46.09
Tata AIG General Insurance Limited	38.31	30.71
Tata Communications Limited	15.96	15.68
Dividend Paid		
- Promoter - Tata Sons Private Limited	163.69	109.58
- Subsidiaries and Joint Ventures of Promoter		
Tata Investment Corporation Limited	26.79	17.93
Dividend/Interest Received		
- Joint Ventures		
Joekels Tea Packers (Proprietary) Limited	10.78	10.76
- Associates		
Kanan Devan Hills Plantation Company Pvt. Ltd.	1.87	2.15
- Promoter - Tata Sons Private Limited	1.76	1.76

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Rs in Crores

	2023	2022
- Subsidiaries and Joint Ventures of Promoter		
Infiniti Retail Limited	4.56	3.03
Tata Housing Development Company Limited	-	0.24
Reimbursement of Expenditure/(Income)		
- Associates		
Amalgamated Plantations Pvt Ltd.	(2.01)	(1.34)
Kanan Devan Hills Plantations Company Pvt. Ltd.	(2.68)	(1.82)
Intercorporate Loan/ Deposits Given		
- Associates		
Kanan Devan Hills Plantations Company Pvt. Ltd.	4.00	-
- Subsidiaries and Joint Ventures of Promoter		
Infiniti Retail Limited	215.00	190.00
Intercorporate Loan/ Deposit redeemed		
- Associates		
Kanan Devan Hills Plantations Company Private Limited	4.25	3.50
-Subsidiaries and Joint Ventures of Promoter		
Infiniti Retail Limited	270.00	120.00
Tata Housing Development Company Limited	-	30.00
Tata International Limited	-	40.00
Investments Made		
- Joint Ventures		
Tata Starbucks Pvt. Ltd.	100.00	86.00
-Associate		
Amalgamated Plantations Pvt Ltd.	50.00	150.00
Investments Purchase		
- Subsidiaries and Joint Ventures of Promoter		
Tata Realty Infrastruture Limited	-	47.13
Tata Limited	-	46.21
Tata industries Limited	-	395.00
Contribution to Funds - Employee Benefit Plans		
Tata Tea Limited Calcutta Provident Fund	22.47	19.83
Tata Coffee Limited Employees Gratuity Fund	4.65	4.24
Tata Tea Limited Gratuity Fund	0.13	4.76

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

d) Balance Outstanding as at March 31, 2023

Rs in Crores

	2023	2022
Debit		
- Joint Ventures	8.15	10.36
- Associates	9.57	11.81
- Subsidiaries and Joint Ventures of Promoter	76.03	104.80
Credit		
- Joint Ventures	-	0.64
- Associates	4.50	5.11
- Promoter	32.95	33.30
- Subsidiaries and Joint Ventures of Promoter	10.08	12.87
- Employee Benefit plans	1.49	6.58

41. BUSINESS COMBINATION

(a) Conversion of Joekels Tea Packers (Proprietary) Limited into a subsidiary

The Group has, with effect from December 28, 2022, acquired control over Joekels Tea Packers (Proprietary) Limited, South Africa by purchasing additional 23.3% stake from the joint venture partners taking the Parent company's holding to 75%, at a cash consideration of Rs 43.71 Crores and deferred contingent consideration of Rs 8.17 Crores. As per requirements of Ind AS 103 'Business Combinations', the Group has fair valued its existing equity interest and recognised a gain of Rs. 87.59 Crores in the Statement of Profit and Loss.

The fair value of the assets and liabilities acquired is shown below:

	Rs. in Crores
Brands & Trademarks	84.11
Customer Relationships	42.66
Property Plant & Equipments and ROU Assets	25.07
Inventories	24.44
Trade and Other Receivables	42.56
Cash and Cash Equivalents	2.82
Total Assets	**221.66**
Loans and Finance Lease	23.98
Trade and Other Payables	24.00
Current and Deferred tax	37.98
Total Liabilities	**85.96**
Total Identifiable Net Assets acquired	**135.70**
Goodwill	95.73
Fair Value of Consideration	**231.43**

Fair Value of Consideration	Rs in Crores
Fair value of consideration transferred	51.88
Fair value of existing interest in the joint venture	121.69
Fair value of non-controlling interest	57.86
Total	**231.43**

Goodwill on the above transaction reflects growth opportunities and synergy benefits which are not separately identifiable. The goodwill and other intangible assets recognised, arising on consolidation, are not depreciable for income tax purposes.

Deferred contingent consideration

The Deferred Contingent consideration has been classified as a financial liability as at the acquisition date as it is payable after 3 year from the end of the current financial year. Deferred contingent consideration has been computed by discounting projected cash flows and by assessment of the probability of achieving various financial performance targets.

Put and call Option

The non-controlling shareholders (NCI holder) of Joekels Tea Packers (Proprietary) Limited have entered into a put and call option agreement with Tata Consumer Products Overseas Limited (TCPOH), overseas subsidiaries of the holding company, in relation to their remaining equity investment in Joekels Tea Packers (Proprietary) Limited. In terms of the said agreement, the NCI holder has the right to exercise a put option whereby TCPOH is obliged to purchase the shares held by NCI holder at a valuation determined based on agreed formula on certain operating financial parameters between 5 and 6 years from the date of acquisition. Conversely, TCPOH has the right to exercise a call option on all the shares held by NCI holders between 5 and 6 years from the date of acquisition at a price determined as mentioned above. If none of the parties exercise their right of Put/Call option, after the expiry of 6 years, TCPOH and NCI holder both will have the option to purchase and sell respectively the remaining shares based on the mutually agreed fair market valuation of the Company, failing which, based on the market value as determined by an Independent Expert. The stipulated time period may be bought forward if certain events as per the agreement are triggered.

Acquired Receivables

Fair value of trade and other receivables acquired is Rs 42.56 Crores. These amounts are fully collectible.

Impact of above acquisition on the results

The acquired business contributed revenue of Rs 37.31 Crores and profit before tax of Rs 1.50 Crores, during the period post acquisition.

(b) Conversion of Tetly ACI (Bangladesh) Limited into a subsidiary

The Group has, with effect from February 9, 2023 acquired 100% control over Tetley ACI (Bangladesh) Limited by purchasing 50% stake from the joint venture partner at a cash consideration of Rs 8.72 Crores. As per requirements of Ind AS 103 ‘Business Combinations’, the Group has fair valued its existing equity interest and recognised a gain of Rs. 5.56 Crores in the Statement of Profit and Loss.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

The fair value of the assets and liabilities acquired is shown below:

	Rs. in Crores
Property Plant & Equipment and ROU Assets	1.07
Inventory	5.52
Trade and Other Receivables	4.26
Cash & Cash Equivalents	0.10
Total Assets	**10.95**
Loans & Finance Lease	11.27
Trade and Other Payables	2.41
Current tax	2.02
Total Liabilities	**15.70**
Total Identifiable Net Assets acquired	**(4.75)**
Goodwill	16.44
Fair Value of Consideration	**11.69**

Fair Value of Consideration	Rs in Crores
Fair value of consideration transferred	8.72
Fair value of existing interest in the joint venture	2.97
Total	**11.69**

Acquired Receivables

Fair value of trade and other receivables acquired is Rs 4.26 Crores. These amounts are fully collectible.

Impact of above acquisition on the results

The acquired business contributed revenue of Rs 3.60 Crores and profit before tax of Rs 0.09 Crores, during the period post acquisition.

42. The Board of Directors of the Parent Company in its meeting held on March 29, 2022, had 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, 2023.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

43. ADDITIONAL REGULATORY INFORMATION

i) Financial Ratios

Particulars		Numerator	Denominator	2023	2022	Change
(a)	Current Ratio	Current Assets	Current Liabilities	2.12	2.25	-6%
(b)	Debt-Equity Ratio	Total Debt (Note 1)	Total Equity	0.09	0.09	4%
(c)	Debt service coverage ratio	Earnings available for debt service	Debt Service (Note 2)	8.98	2.37	279%*
(d)	Return on equity ratio	Profit for the year	Average Total Equity	7.90%	6.36%	154 bps
(e)	Inventory turnover ratio	Revenue from Operations	Average Inventory	5.55	5.50	1%
(f)	Trade receivables turnover ratio	Revenue from Operations	Average Trade Receivable	16.88	15.57	8%
(g)	Trade payables turnover ratio	Purchases and Other Services	Average Trade Payables	5.26	5.46	4%
(h)	Net capital turnover ratio	Revenue from Operations	Working Capital	3.14	3.14	0%
(i)	Net Profit ratio	Profit for the year	Revenue from Operations	9.58%	8.17%	141 bps
(j)	Return on capital employed	EBIT (Note 3)	Capital Employed (Note 4)	34.31%	32.82%	150 bps
(k)	Return on investment	Earnings from invested funds	Average invested funds in treasury investments	5.34%	3.12%	222 bps**

* Higher repayment of loan in previous year

** Increase in market yields

Note 1: Debt includes lease liability

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

Note 3: EBIT = Profit before exceptional items and tax + Finance costs - Interest and Investment income

Note 4: Capital Employed = Tangible Net Worth (including Non Current Investments) + 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, 2023

44. 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)
	Parent								
	Tata Consumer Products Limited	74.46%	12753.26	78.92%	950.07	27.03%	23.98	75.36%	974.05
	Subsidiaries								
	Indian								
1	Tata Coffee Ltd.	7.93%	1358.29	19.22%	231.33	-0.19%	(0.17)	17.88%	231.16
2	NourishCo Beverages Ltd.	0.57%	97.02	2.70%	32.54	0.06%	0.05	2.52%	32.59
3	Tata Consumer Soulfull Private Ltd.	0.18%	30.22	-2.27%	(27.33)	0.03%	0.03	-2.11%	(27.30)
4	Tata Smartfoodz Ltd.	1.52%	260.50	-3.80%	(45.76)	-0.03%	(0.03)	-3.54%	(45.79)
5	TCPL Beverages & Foods Ltd.	0.04%	7.47	0.01%	0.16	-	-	0.01%	0.16
6	TRIL Constructions Ltd.	0.85%	145.17	-0.05%	(0.64)	-	-	-0.05%	(0.64)
7	Tata Tea Holdings Private Ltd.	0.00%	(0.03)	0.00%	(0.01)	-	-	0.00%	(0.01)
	Foreign								
1	Consolidated Coffee Inc. (Consolidated Financials)	6.54%	1119.43	9.86%	118.70	-24.47%	(21.71)	7.50%	96.99
2	Tata Coffee Vietnam Company Ltd.	0.78%	133.76	1.14%	13.67	8.93%	7.92	0.02	21.59
3	Tata Tea Extractions Inc.	2.60%	445.90	0.03%	0.35	-	-	0.03%	0.35
4	Tata Consumer Products Capital Ltd	5.21%	892.28	-1.90%	(22.93)	-	-	-1.77%	(22.93)
5	Tata Consumer Products UK Group Ltd.	35.67%	6108.36	1.17%	14.07	-	-	1.09%	14.07
6	Tata Global Beverages Holdings Ltd. (Dormant)	-	-	-	-	-	-	-	-
7	Tata Global Beverages Services Ltd. (Dormant)	-	-	-	-	-	-	-	-
8	Tata Consumer Products GB Ltd.	14.97%	2563.50	10.02%	120.67	-108.61%	(96.36)	1.88%	24.31
9	Tata Consumer Products Overseas Holdings Ltd.	-0.64%	(109.32)	1.02%	12.27	-	-	0.95%	12.27
10	Tata Global Beverages Overseas Ltd. (Dormant)	0.12%	-	-	-	-	-	-	-
11	Lyons Tetley Ltd. (Dormant)	0.00%	0.20	-	-	-	-	-	-
12	Drassington Ltd. (Dormant)	-	-	-	-	-	-	-	-
13	Teapigs Ltd.	0.61%	104.66	0.35%	4.21	-	-	0.33%	4.21
14	Teapigs US LLC	-0.06%	(9.79)	-0.09%	(1.11)	-	-	-0.09%	(1.11)
15	Tata Waters LLC	-0.04%	(6.02)	-0.12%	(1.40)	-	-	(0.00)	(1.40)
16	Stansand Ltd. (Dormant)	0.00%	0.05	-	-	-	-	-	-
17	Stansand (Brokers) Ltd. (Dormant)	0.00%	0.32	-	-	-	-	-	-
18	Stansand (Africa) Ltd.	0.09%	16.26	0.33%	3.94	-	-	0.30%	3.94
19	Stansand (Central Africa) Ltd.	0.03%	5.90	0.09%	1.11	-	-	0.09%	1.11
20	Tata Consumer Products Polska sp.zo.o	0.08%	14.53	0.14%	1.64	-	-	0.13%	1.64
21	Tata Consumer Products US Holdings Inc.	-0.88%	(150.51)	-0.57%	(6.84)	-	-	-0.53%	(6.84)
22	Tetley USA Inc.	1.70%	291.86	0.23%	2.81	-	-	0.22%	2.81

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

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)
23	Good Earth Corporation.	-0.06%	(10.75)	0.02%	0.30	-	-	0.02%	0.30
24	Good Earth Teas Inc.	-0.72%	(123.34)	-1.45%	(17.47)	-	-	-1.35%	(17.47)
25	Tata Consumer Products Canada Inc.	0.12%	21.11	0.75%	8.99	-	-	0.70%	8.99
26	Tata Consumer Products Australia Pty Ltd.	0.19%	31.85	0.42%	5.07	-	-	0.39%	5.07
27	Earth Rules Pty Ltd. (Dormant)	0.00%	0.00	0.00%	-	-	-	0.00%	-
28	Joekels Tea Packers (Proprietary) Ltd. (w.e.f. December 28, 2022)	0.24%	40.81	0.19%	2.32	-	-	0.18%	2.32
29	Tetley ACI (Bangladesh) Ltd. (w.e.f February 9, 2023)	-0.03%	(4.69)	0.00%	0.06	-	-	0.00%	0.06
30	Tata Global Beverages Investments Ltd. (Dormant)	-	-	-	-	-	-	-	-
31	Campestres Holdings Ltd.	-	-	-	-	-	-	-	-
32	Kahutara Holdings Ltd.	-	-	-	-	-	-	-	-
33	Suntyco Holding Ltd.	-	-	-	-	-	-	-	-
34	Onomento Co Ltd.	0.09%	15.87	0.36%	4.29	-	-	0.33%	4.29
	Non-controlling Interest in all Subsidiaries	-4.96%	(850.17)	-9.67%	(116.37)	5.68%	5.04	-8.61%	(111.33)
	Associates								
	Indian								
1	Amalgamated Plantations Pvt. Ltd.	0.04%	6.18	-1.86%	(22.45)	-2.11%	(1.87)	-1.88%	(24.32)
2	Kanan Devan Hills Plantations Co. Pvt. Ltd.	0.17%	29.80	0.07%	0.81	-1.79%	(1.59)	-0.06%	(0.78)
	Joint Ventures								
	Indian								
1	Tata Starbucks Private Ltd.	1.60%	273.63	-1.04%	(12.49)	0.85%	0.75	-0.91%	(11.74)
	Foreign								
1	Joekels Tea Packers (Proprietary) Ltd. (upto December 27, 2022)	-	-	0.67%	8.01	-	-	0.62%	8.01
2	Tetley ACI (Bangladesh) Ltd. (upto February 8, 2023)	-	-	-0.02%	(0.26)	-	-	-0.02%	(0.26)
3	Tetley Clover (Pvt) Ltd. (under liquidation)	0.00%	0.06	0.00%	-	-	-	0.00%	0.00
	Consolidation eliminations/adjustments	-48.91%	(8376.75)	-4.86%	(58.56)	194.63%	172.68	8.83%	114.12
	TOTAL	**100%**	**17126.88**	**100%**	**1203.77**	**100%**	**88.72**	**100%**	**1292.49**

45. 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 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
1	Tata Consumer Products UK Group Ltd.	03.09.1999	GBP	101.72	2391.25	3717.09	7293.49	1185.15	5163.22	-	19.91	(4.35)	15.56	-	100.00	96.38
2	Tata Global Beverages Holdings Ltd. (Dormant)	10.03.2000	GBP	101.72	-	-	-	-	-	-	-	-	-	-	100.00	96.38
3	Tata Global Beverages Services Ltd. (Dormant)	10.03.2000	GBP	101.72	-	-	-	-	-	-	-	-	-	-	100.00	96.38
4	Tata Consumer Products GB Ltd.	10.03.2000	GBP	101.72	0.00	2563.57	3259.73	696.16	10.17	1354.20	145.74	(27.13)	118.61	-	100.00	96.38
5	Tata Consumer Products Overseas Holdings Ltd.	10.03.2000	GBP	101.72	-	(109.29)	712.48	821.77	196.26	0.00	12.65	(0.69)	11.96	-	100.00	96.38
6	Tata Global Beverages Overseas Ltd. (Dormant)	10.03.2000	GBP	101.72	-	-	-	-	-	-	-	-	-	-	100.00	96.38
7	Lyons Tetley Limted (Dormant)	10.03.2000	GBP	101.72	0.20	-	0.20	-	-	-	-	-	-	-	100.00	96.38
8	Drassington Ltd. (Dormant)	31.10.2003	GBP	101.72	19.90	(19.90)	-	-	-	-	-	-	-	-	100.00	96.38
9	Teapigs Ltd.	15.04.2005	GBP	101.72	10.17	94.47	112.97	8.33	-	172.21	4.93	(0.79)	4.14	-	100.00	96.38
10	Teapigs US LLC	27.08.2013	USD	82.21	0.00	(9.79)	15.92	25.71	-	35.64	(1.15)	-	(1.15)	-	100.00	80.04
11	Stansand Ltd. (Dormant)	10.03.2000	GBP	101.72	0.05	0.00	0.05	0.00	-	-	-	-	-	-	100.00	96.38
12	Stansand Brokers Ltd. (Dormant)	10.03.2000	GBP	101.72	0.32	0.00	0.32	0.00	-	-	-	-	-	-	100.00	96.38
13	Stansand (Africa) Ltd.	10.03.2000	KES	0.62	0.03	15.87	38.99	23.09	-	125.67	5.81	(1.85)	3.96	-	100.00	0.67
14	Stansand (Central Africa) Ltd.	10.03.2000	MWK	0.08	0.00	2.75	5.28	2.53	-	69.00	1.20	(0.37)	0.83	-	100.00	0.08
15	Tata Consumer Products Polska.sp.zo.o	10.03.2000	PLN	19.10	141.10	(126.54)	26.17	11.61	-	52.14	1.68	(0.39)	1.29	-	100.00	17.76
16	Tata Consumer Products US Holdings Inc.	10.03.2000	USD	82.21	550.81	(701.32)	226.06	376.57	215.46	-	(3.59)	-	(3.59)	-	100.00	80.04
17	Tetley USA Inc.	10.03.2000	USD	82.21	1122.16	(830.32)	368.45	76.61	-	132.01	0.34	-	0.34	-	100.00	80.04
18	Tata Waters LLC	18.08.2016	USD	82.21	-	(6.03)	7.34	13.37	-	2.35	(1.38)	-	(1.38)	-	100.00	80.04
19	Good Earth Corporation	13.10.2005	USD	82.21	-	(10.75)	0.62	11.37	-	-	0.29	-	0.29	-	100.00	80.04
20	Good Earth Teas Inc.	13.10.2005	USD	82.21	148.71	(272.06)	42.86	166.21	-	50.56	(17.37)	-	(17.37)	-	100.00	80.04
21	Tata Consumer Products Canada Inc.	10.03.2000	CAD	60.66	9.10	11.07	160.40	140.23	-	411.39	12.25	(3.25)	9.00	-	100.00	60.73
22	Tata Consumer Products Australia Pty. Ltd.	10.03.2000	AUD	54.99	64.89	(31.68)	58.50	25.29	-	106.53	6.18	(0.98)	5.20	-	100.00	55.14
23	Earth Rules Pty. Ltd. (Dormant)	30.04.2015	AUD	54.99	155.28	(155.28)	-	-	-	-	-	-	-	-	100.00	55.14

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
24	Joekels Tea Packers (Proprietary) Ltd. (Refer Note 5)	28.12.2022	ZAR	4.62	0.00	40.88	80.87	39.99	-	178.94	24.15	(6.52)	17.63	-	75.00	4.77
25	Tetley ACI (Bangladesh) Ltd. (Refer Note 5)	09.02.2023	BDT	0.84	54.92	(59.86)	10.94	15.880	-	34.50	(2.13)	(0.21)	(2.34)	-	100.00	1.00
26	Tata Global Beverages Investment Ltd. (Dormant)	12.09.2006	GBP	101.72	-	-	-	-	-	-	-	-	-	-	100.00	96.38
27	Campestres Holdings Ltd.	03.02.2009	USD	82.21	0.02	(0.02)	-	-	-	-	-	-	-	-	100.00	80.04
28	Kahutara Holdings Ltd.	25.03.2009	USD	82.21	0.16	(0.16)	-	-	-	-	-	-	-	-	100.00	80.04
29	Suntyco Holdings Ltd.	01.09.2009	USD	82.21	0.57	(0.57)	-	-	-	-	-	-	-	-	100.00	80.04
30	Onomento Co Ltd.	01.09.2009	USD	82.21	0.06	14.84	16.39	1.49	-	-	4.21	(0.42)	3.79	-	100.00	80.04
31	Tata Consumer Products Capital Ltd.	12.09.2006	GBP	101.72	911.51	(19.23)	1727.63	835.35	1693.71	-	(33.03)	10.00	(23.03)	-	100.00	96.38
32	Tata Coffee Ltd.	21.11.1990	INR	1.00	18.68	1339.61	1668.85	310.56	353.29	1023.32	286.90	(55.57)	231.33	56.03	57.48	1.00
33	Tata Coffee Vietnam Company Ltd.	28.03.2017	USD	82.21	138.93	(6.95)	547.24	415.26	-	342.13	18.52	(2.67)	15.85	-	100.00	80.04
34	Consolidated Coffee Inc.	10.07.2006	USD	82.21	492.42	1.25	495.04	1.37	492.42	-	80.03	-	80.03	-	100.00	80.04
35	Eight O'Clock Holdings Inc.	31.07.2006	USD	82.21	492.42	(0.58)	492.77	0.93	492.42	-	96.04	-	96.04	-	100.00	80.04
36	Eight O'Clock Coffee Company	31.07.2006	USD	82.21	492.42	626.34	2090.39	971.63	-	1488.95	147.63	(28.44)	119.19	-	100.00	80.04
37	Tata Tea Extractions Inc.	29.05.1987	USD	82.21	115.09	330.80	474.32	28.43	358.22	116.77	11.73	(11.03)	0.70	-	100.00	80.04
38	NourishCo Beverages Ltd.	18.05.2020	INR	1.00	213.00	(115.98)	205.11	108.09	-	620.66	36.42	(3.88)	32.54	-	100.00	1.00
39	Tata Consumer Soulfull Private Ltd.	17.02.2021	INR	1.00	0.93	29.30	84.71	54.49	-	64.30	(28.69)	-	(28.69)	-	100.00	1.00
40	Tata SmartFoodz Ltd.	16.11.2021	INR	1.00	539.59	(279.09)	346.58	86.07	3.06	13.55	(40.72)	-	(40.72)	-	100.00	1.00
41	TCPL Beverages & Foods Ltd. (Refer Note 6)	25.02.2022	INR	1.00	0.05	7.42	7.54	0.07	-	-	(0.01)	(0.06)	(0.07)	-	100.00	1.00
42	TRIL Constructions Ltd.	17.11.2021	INR	1.00	36.15	109.03	217.93	72.75	-	-	(0.62)	0.00	(0.62)	-	80.46	1.00
43	Tata Tea Holdings Private Ltd.	19.03.2009	INR	1.00	0.05	(0.08)	0.01	0.04	-	-	(0.00)	-	(0.00)	-	100.00	1.00

Note:

1 Statutory year ends for all subsidiaries are 31.03.2023 except for Tetley ACI (Bangladesh) Ltd - 30.06.2022

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 Joekels Tea Packers (Proprietary) Ltd. and Tetley ACI (Bangladesh) Ltd. converted to subsidiary w.e.f December 28, 2022 and February 09 2023 respectively.

6 TCPL Beverages & Foods Ltd. is yet to commence business.

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.	Tetley Clover (Pvt.) Ltd. ^	Tetley ACI (Bangladesh) Ltd. $	Joekels Tea Packers (Proprietary) Ltd. $	Tata Starbucks Private Ltd.
		Associate	Associate	Joint Venture	Joint Venture	Joint Venture	Joint Venture
1	**Latest audited Balance Sheet Date**	31.03.2023	31.03.2023	28.02.2019	30.06.2022	31.03.2023	31.03.2023
2	**Date of acquisition/ incorporation**	17.04.2009	06.07.2005	25.07.2003	17.11.2002	04.10.2006	03.01.2012
3	**Shares of Associate /Joint Ventures held by the company on the year-end**						
	Equity Shares						
	i) Number	61024400	3976563	44000000	-	-	572300000
	ii) Amount of Investment in Associates/ Joint Venture (Rs. in Crores)	82.08#	12.33	30.98	-	-	572.30
	iii) Extent of Holdings	41.03%	28.52%	50%	-	-	50%
	Preference Shares						
	i) Number	267000000	-	3000000	-	-	-
	ii) Amount of Investment in Associates/ Joint Venture (Rs. in Crores)	251.77@	-	2.59	-	-	-
4	**Description of how there is significant influence**	Shareholding	Shareholding	Joint Venture Agreement	-	-	Joint Venture Agreement
5	**Reason why the associate/joint venture is not consolidated**	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	**Networth attributable to Shareholding as per latest audited Balance Sheet (Rs in Crores)**	6.15	30.40	0.07	-	-	273.62
7	**Profit / (Loss) for the year***						
	i) Considered in Consolidated** (Rs in Crores)	(22.45)	0.90	-	(0.26)	8.01	(12.49)
	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 31.03.2023, 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

$ Joekels Tea Packers (Proprietary) Ltd. and Tetley ACI (Bangladesh) Ltd. converted to subsidiary w.e.f December 28, 2022 and February 09, 2023 respectively.

For and and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

K P Krishnan
Director
(DIN 01099097)

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

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Mumbai, April 25, 2023