Independent Auditor's Report

To the Members of Tata Consumer Products Limited (Formerly Tata Global Beverages 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, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current 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.

Independent Auditor's Report (continued)

Sr. No.	Key Audit Matter	Auditor's Response
1	**IT System Upgradation:** The Company used SAP ECC 6.0 which was upgraded to SAP S/4 HANA in March 2021. Migration to S/4 HANA is a major upgrade to the existing core enterprise application system resulting into a significant change to the financial accounting configuration which is the core for financial reporting including preparation of standalone financial statements. Risks identified as emanating from the aforesaid change were: i) Inappropriate changes made to the application systems or programs that contain relevant automated controls (i.e., configurable settings, automated algorithms, automated calculations, and automated data extraction) and/or report logic; and ii) Systems not adequately configured or updated to restrict system access to authorized users.	**Our audit procedures included obtaining detailed project plan and SAP Governance framework for transition to new SAP landscape.** We involved Information Technology (IT) Specialists as part of the audit team to perform audit procedures in respect of this upgradation. Audit procedures that were performed by the IT Specialists, are as below: • Obtained User Acceptance Testing ('UAT') sign-off to ensure that the implemented system was configured in line with business requirements, performing test of General IT Controls and user access controls in respect of SAP S/4 HANA IT environment; • Tested the operating effectiveness of the data migration process; and • Tested the automated controls. The audit procedures also involved testing of transactions, segregation of duties (SOD) rules to ensure system access was restricted to authorized users and testing of interface controls between new SAP environment and other auxiliary systems.

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 Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- 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

Independent Auditor's Report (continued)

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

    d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

    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.

2. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Sanjiv V Pilgaonkar
Partner
(Membership No.039826)
UDIN: 21039826AAAADN3367

Place: Mumbai
Date: May 06, 2021

Annexure "A" to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of Tata Consumer Products Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation

Independent Auditor's Report (continued)

of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sanjiv V Pilgaonkar
Partner
(Membership No.039826)
UDIN: 21039826AAAADN3367

Place: Mumbai
Date: May 06, 2021

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)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets 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 fixed assets 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) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company has granted a secured loan to a company covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loan is, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and receipts of interest has been regular as per stipulations.

(c) There is no interest overdue for more than 90 days.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits and hence reporting under clause (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) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

Independent Auditor's Report (continued)

(c) There are no disputed dues of Customs Duty. Details of dues of Income-tax, Sales Tax, Service Tax and State Value Added Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs. 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
West Bengal Value Added Tax Act, 2003	West Bengal Value Added Tax	Additional Commissioner (Appeals) – Kolkata	2017-18	1.14
Central Sales Tax Act, 1956	Sales Tax	Additional Commissioner (Appeals) – Kolkata	2017-18	0.07
Karnataka Sales Tax Act, 1957	Sales Tax	Commissioner of Commercial Tax, Karnataka	1997-98	1.28
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 to 2013-14	1.25
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	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata	2007-08 and 2008-09	1.36
Himachal Pradesh Value Added Tax Act, 2005	Himachal Pradesh Value Added Tax	Additional Excise & Taxation Commissioner (Appeals) South Zone, Shimla	2007-08	0.08
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
Finance Act, 1994	Service Tax	Commissioner Appeals, Kolkata	2008-09 and 2009-10	0.01

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 188 and 177 of the Companies Act, 2013, 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) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, 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.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Sanjiv V Pilgaonkar
Partner
(Membership No.039826)
UDIN: 21039826AAAADN3367

Place: Mumbai
Date: May 06, 2021

Balance Sheet

as at March 31, 2021

Rs in Crores

	Note	2021	2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	258.30	225.32
Capital work-in-progress		46.46	22.16
Right of Use Asset	4	224.64	124.88
Goodwill	5	3578.51	3578.51
Other Intangible Assets	5	2509.90	2523.83
Intangible asset under development		16.44	5.99
Financial Assets			
Investments	6	2605.19	2324.91
Loans	7	21.71	22.35
Other Financial Assets	8	103.59	24.68
Non-Current Tax Assets (Net)	20 (c)	122.61	123.06
Other Non-Current Assets	9	88.91	87.64
		9576.26	**9063.33**
Current assets			
Inventories	10	1408.37	919.95
Financial Assets			
Investments	6	287.77	724.51
Trade Receivables	11	257.23	314.17
Cash and Cash Equivalents	12	644.74	243.24
Other Bank Balances	13	968.95	494.53
Loans	7	3.79	0.66
Other Financial Assets	8	31.57	75.20
Other Current Assets	9	253.08	214.84
		3855.50	**2987.10**
TOTAL ASSETS		13431.76	**12050.43**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14 (a)	92.16	92.16
Other Equity	14 (b)	11131.94	10757.85
TOTAL EQUITY		11224.10	**10850.01**
Non-Current Liabilities			
Financial Liabilities			
Lease Liabilities		215.30	121.82
Other Financial Liability		76.20	-
Provisions	17	148.21	137.52
Deferred Tax Liabilities (Net)	20 (e)	367.55	149.22
		807.26	**408.56**
Current liabilities			
Financial liabilities			
Borrowings	15	-	35.00
Lease Liabilities		28.94	23.69
Trade Payables	18		
Total outstanding dues of Micro enterprises and Small enterprises		13.96	4.31
Total outstanding dues of creditors other than Micro enterprises and Small enterprises		1088.67	442.73
Other Financial Liabilities	16	81.93	120.11
Other Current Liabilities	19	99.73	75.91
Provisions	17	82.04	73.96
Current Tax Liability (Net)	20 (d)	5.13	16.15
		1400.40	**791.86**
TOTAL EQUITY AND LIABILITIES		13431.76	**12050.43**

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

In terms of our report attached.

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, May 06, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
(DIN 00121863)

S. Santhanakrishnan
Director
(DIN 00032049)

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

L. KrishnaKumar
Executive Director
(DIN 00423616)

John Jacob
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2021

Rs in Crores

	Note	2021	2020
Income			
Revenue from Operations	21	7154.36	5690.24
Other Income	22	133.01	117.75
Total Income		**7287.37**	**5807.99**
Expenses			
Cost of Materials Consumed	23	3421.65	2305.02
Purchases of Stock-in-trade		1425.63	1123.86
Change in Inventories of Finished Goods/Stock-in-trade/Work-in-progress	24	(116.90)	44.36
Employee Benefits Expense	25	321.58	283.44
Finance Costs	26	28.13	25.73
Depreciation and Amortisation Expense		126.21	114.82
Advertisement and Sales Charge		396.83	384.91
Other Expenses	27	787.00	744.63
Total Expenses		**6390.13**	**5026.77**
Profit before Exceptional Items and Taxes		**897.24**	**781.22**
Exceptional Items (Net)	28	(61.10)	(51.81)
Profit before Tax		**836.14**	**729.41**
Tax Expenses	20(a)		
Current Tax		(1.05)	(0.61)
Deferred Tax		217.68	206.48
		216.63	**205.87**
Profit for the year		**619.51**	**523.54**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(4.44)	(28.18)
Changes in fair valuation of equity instruments		5.87	9.84
		1.43	**(18.34)**
Tax Impact on above items		0.01	7.47
		1.44	**(10.87)**
Items that will be reclassified to profit or loss			
Gains/(loss) on effective portion of cash flow hedges		2.62	(6.53)
Tax Impact on above items		(0.66)	2.13
		1.96	**(4.40)**
Other Comprehensive Income for the year		**3.40**	**(15.27)**
Total Comprehensive Income for the year		**622.91**	**508.27**
Earnings per share	33		
Equity share of nominal value Re. 1 each			
Basic and Diluted		**6.72**	**5.68**

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached.

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, May 06, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
(DIN 00121863)

S. Santhanakrishnan
Director
(DIN 00032049)

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

L. KrishnaKumar
Executive Director
(DIN 00423616)

John Jacob
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Statement of Changes in Equity

as at March 31, 2021

Equity Share Capital and Other Equity (Refer Note 14)

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	Retained Earnings	Effective portion of cash flow hedge	Fair Value gain/(loss) on Equity Instruments	
Balance as at April 1, 2019	**63.11**	**15.79**	**361.05**	**1.00**	**21.86**	**1143.31**	**2784.41**	**3.27**	**49.88**	**4380.57**
Profit for the year	-	-	-	-	-	-	523.54	-	-	**523.54**
Other Comprehensive Income	-	-	-	-	-	-	(20.71)	(4.40)	9.84	**(15.27)**
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**502.83**	**(4.40)**	**9.84**	**508.27**
Transaction with owners in their capacity as owners:										
Dividends (including tax on dividend)	-	-	-	-	-	-	(186.05)	-	-	**(186.05)**
Share issue pursuant to the Scheme	29.05		6069.82	-	-	-	-	-	-	**6069.82**
Transitional adjustment on Ind AS 116	-	-	-	-	-	-	(14.76)	-	-	**(14.76)**
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income	-	-	-	-	-	-	50.02	-	(50.02)	**-**
Balance as at April 1, 2020	**92.16**	**15.79**	**6430.87**	**1.00**	**21.86**	**1143.31**	**3136.45**	**(1.13)**	**9.70**	**10757.85**
Profit for the year	-	-	-	-	-	-	619.51	-	-	**619.51**
Other Comprehensive Income	-	-	-	-	-	-	(4.26)	1.96	5.70	**3.40**
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**615.25**	**1.96**	**5.70**	**622.91**
Transaction with owners in their capacity as owners:										
Dividends	-	-	-	-	-	-	(248.82)	-	-	**(248.82)**
Balance as at March 31, 2021	92.16	15.79	6430.87	1.00	21.86	1143.31	3502.88	0.83	15.40	11131.94

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

In terms of our report attached.

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, May 06, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
(DIN 00121863)

S. Santhanakrishnan
Director
(DIN 00032049)

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

L. KrishnaKumar
Executive Director
(DIN 00423616)

John Jacob
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Statement of Cash Flow

for the year ended March 31, 2021

Rs in Crores

	2021		2020	
A. Cash Flow from Operating Activities				
Net Profit before Tax		836.14		729.41
Adjusted for :				
Depreciation and Amortisation	126.21		114.82	
Dividend Income	(55.20)		(47.15)	
Unrealised Exchange Loss / (Gain)	0.27		(1.69)	
Finance Cost	28.13		25.73	
Fair Value movement in Financial Instruments designated at Fair Value through profit or loss	(8.11)		3.31	
Interest Income	(57.96)		(46.57)	
Profit on sale of Current Investments (net)	(11.57)		(24.88)	
Impairment loss recognised in trade receivables (net of reversal)	20.46		(1.11)	
(Profit) / Loss on sale of Property, Plant & Equipment (net)	0.49		1.33	
Other Exceptional Expense/(Income)(net)	61.10		51.81	
		103.82		75.60
Operating Profit before working capital changes		939.96		805.01
Adjustments for :				
Trade Receivables & Other Assets	36.02		(118.96)	
Inventories	(488.42)		80.96	
Trade Payables & Other Liabilities	586.19		37.05	
		133.79		(0.95)
Cash generated from Operations		1073.75		804.06
Direct Taxes paid (net)	(9.52)		(59.03)	
		(9.52)		(59.03)
Net Cash from / (used in) Operating Activities		1064.23		745.03
B. Cash Flow from Investing Activities				
Payment for Property, Plant and Equipment and Intangibles	(146.89)		(65.28)	
Sale of Property, Plant and Equipment	0.17		0.11	
Sale of Non Current Investments carried at Fair value through OCI	-		53.20	
Acquisition of Business	-		(101.01)	
Acquisition of Subsidiaries	(168.80)		-	
Investment in Joint Ventures	(97.50)		(53.00)	
Dividend Income received	55.20		47.15	
Interest Income received	54.17		41.38	
(Purchase) / Sale of Current Investments (net)	448.31		(201.89)	
(Placement)/ Redemption Fixed deposits (net)	(473.71)		(430.65)	
Inter Corporate Deposits & Loans (Net)	(3.00)		1.75	
Net Cash from / (used in) Investing Activities		(332.05)		(708.24)

Statement of Cash Flow

for the year ended March 31, 2021

Rs in Crores

	2021	2020
C. Cash Flow from Financing Activities		
Working Capital Facilities (net)	(35.00)	35.00
Payment of Lease Liabilities	(27.81)	(28.97)
Dividend paid	(248.82)	(157.78)
Dividend Tax paid	-	(29.12)
Finance Cost paid	(19.05)	(17.11)
Net Cash from / (used in) Financing Activities	**(330.68)**	**(197.98)**
Net increase / (decrease) in Cash and Cash Equivalents	**401.50**	**(161.19)**
D. Cash and Cash Equivalents balances		
Balances at the beginning of the year	243.24	404.43
Balances at the end of the year	**644.74**	**243.24**

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached.

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, May 06, 2021

For and on behalf of the Board

N. Chandrasekaran
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Managing Director & CEO
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Executive Director
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John Jacob
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

1. GENERAL INFORMATION

Tata Consumer Products Limited ("the Company") *(formerly known as Tata Global Beverages Limited)* 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 viz., mainly Tea, Coffee, Water collectively termed as branded beverage business, and Salt, Pulses, Spices etc. collectively termed as branded foods business. The Group has branded beverage business mainly in India, Europe, US, Canada and Australia, and foods business in India. The non-branded plantation business is in India and tea and coffee extraction businesses are 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, 2021 were approved for issue by Company's Board of Directors on May 6, 2021.

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

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

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 assets. Subsequent expenditure is added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replacements are derecognised. All repairs and maintenance are charged to the statement of profit and loss during the financial year in which they are incurred.

ii) **Depreciation:**

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

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

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

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

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

(c) Biological Assets

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

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

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

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

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

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

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.

(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

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to the Standalone Financial Statements for the year ended March 31, 2021

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 Intangible Assets and are amortised over a period of 10 years.

(vi) Computer software

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

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

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

(vii) Website Cost

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

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

(vii) Research and Development

Research expenditure is recognised in the statement of profit and loss as 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. Development assets are amortised based on the estimated useful life, as appropriate.

(f) Impairment of tangible and intangible assets

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

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

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

Subsequent measurement

Debt Instruments:

Subsequent measurement of debt instruments depend 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.

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

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to the Standalone Financial Statements for the year ended March 31, 2021

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.

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to the Standalone Financial Statements for the year ended March 31, 2021

(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. Agricultural produce included within inventory largely comprises stock of tea and in accordance with Ind AS 41, on initial recognition, agricultural produce are measured at fair value less estimated point of sale costs.

Provision is made for obsolescence and other anticipated losses wherever considered necessary.

(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

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to the Standalone Financial Statements for the year ended March 31, 2021

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) 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.

(l) 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

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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.

(m) 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.

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

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

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

(o) 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.

(p) 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

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- 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 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.

(q) 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.

(r) 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.

(s) Earnings per share

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

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(t) 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.

(u) 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.

(v) 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.

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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)

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3. PROPERTY, PLANT AND EQUIPMENT

Rs in Crores

	Land @	Buildings @	Plant & Equipment @	Furniture, Fixtures & Office Equipment	Motor Vehicles	Total
Cost						
As at 1 April 2019	**7.37**	**53.97**	**297.37**	**54.81**	**4.35**	**417.87**
Acquisition through Business Combination	-	-	0.19	-	-	**0.19**
Additions	-	1.66	25.90	4.28	0.46	**32.30**
Transfer from Investment Property	-	1.02	-	-	-	**1.02**
Disposals	-	(0.09)	(2.94)	(0.42)	(0.09)	**(3.54)**
As at 1 April 2020	**7.37**	**56.56**	**320.52**	**58.67**	**4.72**	**447.84**
Additions	-	10.28	46.42	9.24	-	**65.94**
Disposals	-	-	(7.85)	(1.43)	(0.09)	**(9.37)**
As at 31 March 2021	**7.37**	**66.84**	**359.09**	**66.48**	**4.63**	**504.41**
Accumulated Depreciation						
As at 1 April 2019	**-**	**17.78**	**143.13**	**30.10**	**3.02**	**194.03**
Transfer from Investment Property	-	0.37	-	-	-	**0.37**
Depreciation for the year	-	1.19	23.23	5.08	0.53	**30.03**
Disposals	-	(0.05)	(1.60)	(0.17)	(0.09)	**(1.91)**
As at 1 April 2020	**-**	**19.29**	**164.76**	**35.01**	**3.46**	**222.52**
Depreciation for the year	-	1.24	25.21	5.50	0.34	**32.29**
Disposals	-	-	(7.32)	(1.30)	(0.08)	**(8.70)**
As at 31 March 2021	**-**	**20.53**	**182.65**	**39.21**	**3.72**	**246.11**
Net carrying value as at 31 March 2020	**7.37**	**37.27**	**155.76**	**23.66**	**1.26**	**225.32**
Net carrying value as at 31 March 2021	**7.37**	**46.31**	**176.44**	**27.27**	**0.91**	**258.30**

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 (Rs. 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).

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4. RIGHT OF USE ASSETS

Rs. in Crores

	Building	Plant & Machinery	Motor Vehicles	Total
Net Carrying Value				
As at 1 April 2019	**-**	**-**	**-**	**-**
Recognition on transition to Ind AS 116	73.11	3.37	2.27	**78.75**
Acquired through Business Combination	-	3.50	-	**3.50**
Additions	61.55	9.76	1.10	**72.41**
Disposals	(0.81)	-	-	**(0.81)**
Depreciation for the year	(24.49)	(3.11)	(1.37)	**(28.97)**
As at 31 March 2020	**109.36**	**13.52**	**2.00**	**124.88**
Additions	125.31	10.46	0.74	**136.51**
Disposals	(2.76)	(0.18)	(0.24)	**(3.18)**
Depreciation for the year	(28.50)	(4.08)	(0.99)	**(33.57)**
As at 31 March 2021	**203.41**	**19.72**	**1.51**	**224.64**

5. GOODWILL AND OTHER INTANGIBLE ASSETS

Rs. in Crores

	Goodwill	Capitalised Software	Patent/ Knowhow	Brand *	Distribution Network	Total Other Intangible Assets
Cost						
As at 1 April 2019	**-**	**47.91**	**17.63**	**-**	**-**	**65.54**
Acquisition through Business Combination	**3578.51**	0.46	-	2273.45	270.46	**2544.37**
Additions	**-**	17.22	-	-	-	**17.22**
Disposals	**-**	-	-	-	-	**-**
As at 1 April 2020	**3578.51**	**65.59**	**17.63**	**2273.45**	**270.46**	**2627.13**
Additions	**-**	30.42	-	16.00	-	**46.42**
Disposals	**-**	(0.14)	-	-	-	**(0.14)**
As at 31 March 2021	**3578.51**	**95.87**	**17.63**	**2289.45**	**270.46**	**2673.41**
Accumulated Amortisation						
As at 1 April 2019	**-**	**31.56**	**15.92**	**-**	**-**	**47.48**
Amortisation expense	**-**	8.39	0.60	13.02	33.81	**55.82**
Disposals	**-**	-	-	-	-	**-**
As at 1 April 2020	**-**	**39.95**	**16.52**	**13.02**	**33.81**	**103.30**
Amortisation expense	**-**	9.31	0.58	16.65	33.81	**60.35**
Disposals	**-**	(0.14)	-	-	-	**(0.14)**
As at 31 March 2021	**-**	**49.12**	**17.10**	**29.67**	**67.62**	**163.51**
Net carrying value as at 31 March 2020	**3578.51**	**25.64**	**1.11**	**2260.43**	**236.65**	**2523.83**
Net carrying value as at 31 March 2021	**3578.51**	**46.75**	**0.53**	**2259.78**	**202.84**	**2509.90**

* 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.

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Impairment of Goodwill and intangible assets with indefinite useful life

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

Rs in Crores

	2021	2020
India Food Business	3562.41	3562.41
India Beverages Business	16.10	16.10
Total	**3578.51**	**3578.51**

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

Rs in Crores

	2021	2020
India Food Business	2093.33	2093.33
Total	**2093.33**	**2093.33**

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 CGUs 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 Food Business	13.86%	6.0%
India Beverages Business	13.86%	5.0%

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

Impairment 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.

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6. INVESTMENTS

Rs in Crores

	2021	2020
Non-current Investments		
Quoted Equity Instruments	176.72	171.24
Unquoted Equity Instruments	2308.50	2041.81
Unquoted Preference Shares	119.97	111.86
Unquoted Debentures (Refer footnote f)	0.00	0.00
Unquoted Government Securities (Refer footnote f)	0.00	0.00
	2605.19	**2324.91**
Current Investments		
Mutual Funds - Unquoted (Carried at Fair Value through Profit & Loss)	287.77	724.51
	287.77	**724.51**
Total Investments	**2892.96**	**3049.42**

Rs in Crores

	2021	2020
Market Value of Quoted Investments	1300.31	612.56
Aggregate amount of Unquoted Investments	2716.24	2878.18
Aggregate amount of Quoted Investments	176.72	171.24
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	
		2021	2020	2021	2020
Tata Investment Corporation Ltd	Rs. 10	146872	146872	15.21	9.73
SBI Home Finance Ltd. (under liquidation) - (Refer foot note i)	Rs. 10	100000	100000	-	-
				15.21	**9.73**

Carried at Cost:

	Face Value	Nos.		Rs. in Crores	
		2021	2020	2021	2020
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				**176.72**	**171.24**

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Unquoted Equity Instruments

Carried at fair value through Other Comprehensive Income:

	Face Value	Nos.		Rs. in Crores	
		2021	2020	2021	2020
Tata Sons Pvt. Ltd. (Refer footnote b)	Rs. 1000	1755	1755	9.75	9.75
Tata Capital Ltd.	Rs. 10	613598	613598	3.07	3.07
Tata Services Ltd.	Rs. 1000	475	475	0.05	0.05
Tata Industries Ltd. (Refer footnote b)	Rs. 100	6519441	6519441	115.82	115.82
Taj Air Ltd.	Rs. 10	4200000	4200000	1.04	1.04
Anamallais Ropeways Company Limited (Refer foot note i)	Rs. 100	2092	2092	-	-
ABC Tea Workers Welfare Services	Rs. 10	20000	20000	0.02	0.02
Assam Hospitals Ltd	Rs. 10	200000	200000	3.90	3.74
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	0.14	0.30
IFCI Venture Capital Funds Ltd	Rs. 10	250000	250000	0.99	0.60
Ritspin Synthetics Ltd (Refer foot note i)	Rs. 10	100000	100000	-	-
TEASERVE (Refer footnote f)	Rs 5000	1	1	0.00	0.00
(The Tamil Nadu Tea Manufacturers' Service Industrial Co-operative Society Ltd)					
Woodlands Hospital & Medical Res .Centre Ltd. (Refer footnote f)	Rs. 10	12280	12280	0.00	0.00
				134.78	**134.39**

Unquoted Equity Instruments

Carried at cost

	Face Value		Nos.		Rs. in Crores	
			2021	2020	2021	2020
Investment in Subsidiaries:						
Tata Tea Extractions Inc	US$	1	14000000	14000000	59.80	59.80
Tata Consumer Products UK Group Limited (Formerly Tata Global Beverages Group Ltd.)	GBP	1	70666290	70666290	500.71	500.71
Tata Consumer Products Capital Limited (Formerly Tata Global Beverages Capital Ltd.)	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 (Refer footnote g)	Rs.	10	213000000	-	119.50	-
Tata Consumer Soulful Private Limited (Formerly Kottaram Agro foods Private Limited) (Refer footnote h)	Rs.	10	155800000	-	155.80	-
Investment in Associates :						
Amalgamated Plantations Pvt Ltd. (Refer footnote d)	Rs.	10	61024400	61024400	71.10	71.10
Kanan Devan Hills Plantations Company (Pvt.) Ltd.	Rs.	10	3976563	3976563	12.33	12.33
TRIL Constructions Limited	Rs.	10	11748148	11748148	11.75	11.75
Investment in Joint Ventures :						
NourishCo Beverages Limited	Rs.	10	-	106500000	-	106.50
Tata Starbucks Private Limited (Refer footnote c)	Rs.	10	386300000	288800000	386.30	288.80
					2173.72	**1907.42**
Total Unquoted Equity Instruments					2308.50	**2041.81**

Notes

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Unquoted Preference Shares

	Face Value	Nos. 2021	Nos. 2020	Rs. in Crores 2021	Rs. in Crores 2020
Investment in Associates:					
Amalgamated Plantations Pvt Ltd.(Refer footnote d)	Rs. 10	67000000	67000000	53.22	45.11
TRIL Constructions Limited (Refer footnote e)	Rs. 10	66751852	66751852	66.75	66.75
Others					
Thakurbari Club Ltd (Cost Re 1) (Refer footnote f)	Rs. 100	26	26	0.00	0.00
Total Unquoted Preference Shares				**119.97**	**111.86**

Unquoted Debentures & Government Securities

Carried at fair value through Other Comprehensive Income

	Face Value	Nos. 2021	Nos. 2020	Rs. in Crores 2021	Rs. in Crores 2020
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 2020-21, the Company has invested an amount of Rs. 97.50 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., are redeemable with a special redemption premium, on fulfilment of certain conditions, within 13 - 15 years from the date of the issue and are designated as fair value through profit and loss.

e) Preference shares of TRIL Constructions Ltd. are non-cumulative and mandatorily fully convertible within 12 years from the issue date, the same is carried at cost.

f) Investment carrying values are below Rs. 0.01 Crores.

g) The Company has, with effect from May 18, 2020 acquired control of NourishCo Beverages Limited (NCBL) by purchasing other Joint Venture partner's stake in NCBL at a consideration of Rs 13 Crores.

h) The Company acquired 100% equity of Tata Consumer Soulful Private Limited (Formerly Kottaram Agro Foods Private Limited), pursuant to a share purchase agreement dated February 17, 2021 at a cash consideration of Rs 155.80 Crores and contingent consideration of Rs 76.20 Crores. The said contingent consideration has been recognised under Other Financial Liability with a corresponding recognition of Other Financial Asset.

i) These investments are fully impaired.

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

7. LOANS

Rs in Crores

	2021	2020
Non-Current		
(Secured and considered good)		
Inter Corporate Loan to related party $	16.50	17.00
Inter Corporate Deposits *	4.25	4.25
(Unsecured and considered good)		
Employee Loans and Advances	0.96	1.10
	21.71	**22.35**
Current		
(Secured and considered good)		
Inter Corporate Loan to related party $	3.50	-
(Unsecured and considered good)		
Employee Loans and Advances	0.29	0.66
	3.79	**0.66**
Total Loans	**25.50**	**23.01**

$ secured by mortgage of rights on immovable assets

* secured by mortgage of land

8. OTHER FINANCIAL ASSETS

Rs in Crores

	2021	2020
Non-Current		
(Unsecured and considered good, unless otherwise stated)		
Security Deposits	27.03	23.89
Lease receivable	0.36	0.79
Others (Refer Note 6 foot note h)	76.20	-
Considered Doubtful		
Security Deposits	0.29	0.29
Less: Provision for Doubtful Deposits	(0.29)	(0.29)
	103.59	**24.68**
Current		
(Unsecured and considered good, unless otherwise stated)		
Receivable pursuant to Acquisition from Tata Chemicals Limited	-	40.06
Due from Related Parties	7.25	10.76
Insurance Claims Receivable	3.14	2.79
Lease receivable	0.44	0.40
Interest Accrued	11.62	7.83
Export Incentive Receivable	8.01	13.36
Derivative Financial Assets	1.11	-
	31.57	**75.20**
Total Other Financial Assets	**135.16**	**99.88**

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

9. OTHER ASSETS

Rs in Crores

	2021	2020
Non-Current		
(Unsecured and Considered Good, unless otherwise stated)		
Capital Advances	2.91	9.93
Property Rights Pending Development #	70.50	70.50
Taxes Receivable	15.50	7.21
	88.91	**87.64**
Current		
Prepaid Expenses	37.78	32.51
Taxes Receivable	188.11	159.99
Other Trade Advances	27.19	22.34
Considered Doubtful		
Other Advances for Supply of Goods and Services	0.53	0.53
Less: Provision for Advances	(0.53)	(0.53)
	253.08	**214.84**
Total Other Assets	**341.99**	**302.48**

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

10. INVENTORIES

(At lower of cost and net realisable value)

Rs in Crores

	2021	2020
Raw Material		
Tea	925.01	577.09
Packing Materials	50.92	35.34
Others	13.78	7.21
	989.71	**619.64**
Finished Goods		
Tea	275.90	189.28
Others	1.43	3.37
	277.33	**192.65**
Traded Goods		
Salt and other items relating to Food Business	120.58	94.77
Formulations and Others	8.91	2.50
	129.49	**97.27**
Stores and Spare Parts	**11.84**	**10.39**
	1408.37	**919.95**

Raw material includes in transit tea inventory of Rs. 2.62 Crores (Rs. 2.05 Crores).
Traded Goods includes in transit inventory of Rs. 3.64 Crores (Nil).

During the year ended March 31, 2021 - Rs. 13.40 Crores (Rs. 7.29 Crores) was charged to statement of profit and loss for slow moving and obsolete inventories.

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

11. TRADE RECEIVABLES

Rs in Crores

	2021	2020
Trade Receivables considered good - Secured	3.11	60.66
Trade Receivables considered good - Unsecured	254.12	253.51
Trade Receivables - Credit Impaired (Refer Note 38)	34.92	14.46
	292.15	**328.63**
Less: Allowance for Credit Impairment	34.92	14.46
	257.23	**314.17**

Secured receivables are backed by security deposits
Includes due from Related Parties - Rs. 45.23 Crores (Rs. 36.65 Crores).
Inventories and trade receivables have been hypothecated to banks for the working capital facilities availed.

12. CASH AND CASH EQUIVALENTS

Rs in Crores

	2021	2020
Balances with banks:		
Current Account	5.65	9.24
Deposit Account	639.05	233.96
Cash/Cheques in hand	0.04	0.04
	644.74	**243.24**

13. OTHER BANK BALANCES

Rs in Crores

	2021	2020
Unclaimed Dividend Account	9.59	8.88
Deposit exceeding 3 months	959.36	485.65
	968.95	**494.53**

14. EQUITY SHARE CAPITAL AND OTHER EQUITY

(a) Equity Share Capital

Rs in Crores

	2021	2020
AUTHORISED		
125,00,00,000 (125,00,00,000) Equity Shares of Re 1 each	125.00	125.00
ISSUED, SUBSCRIBED AND PAID-UP		
92,15,51,715 (92,15,51,715) Equity Shares of Re 1 each, fully paid-up	92.16	92.16
	92.16	**92.16**

i) The reconciliation of the number of shares as at March 31, 2021 is set out below:

	2021	2020
Number of shares as at the beginning of the year	92,15,51,715	63,11,29,729
Add: Shares issued during the year pursuant to the Scheme of Arrangement	-	29,04,21,986
Number of shares as at the end of the year	92,15,51,715	**92,15,51,715**

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

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, 2021) pursuant to contracts without payment being received in cash

290,421,986 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.

1,27,31,159 equity shares were issued during the financial year 2015-16, consequent to and as part of the amalgamation of the erstwhile Mount Everest Mineral Water Limited with the Company.

iv) The details of shareholders holding more than 5% shares as at March 31, 2021 is set out as below :

Rs in Crores

	2021	2020
Name of shareholder	**No. of shares**	**No. of shares**
	% of holding	**% of holding**
Tata Sons Private Limited	270557128	270557128
	29.36%	**29.36%**

v) Dividend paid

	2021	2020
Dividend Paid (Rs. in Crores)	248.82	157.78
Dividend per share (Rs.)	2.70	2.50

The Board of Directors in its meeting held on May 6, 2021 have recommended a final dividend payment of Rs. 4.05 per share for the financial year ended March 31, 2021.

b) Other Equity

Rs in Crores

	2021	2020
Capital Reserve	15.79	15.79
Securities Premium Account	6430.87	6430.87
Contingency Reserve	1.00	1.00
Revaluation Reserve	21.86	21.86
General Reserve	1143.31	1143.31
Retained Earnings	3502.88	3136.45
Other Comprehensive Income		
- Effective portion of Cash Flow Hedge	0.83	(1.13)
- Fair value gains/(loss) on Equity Instruments	15.40	9.70
	11131.94	**10757.85**

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

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).

15. BORROWINGS

Rs in Crores

	2021	2020
Current		
Loan From Banks - Secured		
Working Capital Facilities	-	35.00
Secured by way of hypothecation of raw materials, finished goods, stores and spares		
and book debts on pari passu basis		
	-	**35.00**

Note: Change in liabilities are on account of financing activities which have been disclosed in the Statement of Cash Flow.

16. OTHER FINANCIAL LIABILITIES

Rs in Crores

	2021	2020
Current		
Unpaid Dividends *	9.59	8.88
Interest accrued but not due on borrowings	-	0.11
Derivative Financial Liabilities	-	1.51
Security Deposits from Customers	5.07	57.00
Others	67.27	52.61
	81.93	**120.11**

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

Notes
to the Standalone Financial Statements for the year ended March 31, 2021

17. PROVISIONS

Rs in Crores

	2021	2020
Non-Current		
Employee Benefits	148.21	137.52
	148.21	**137.52**
Current		
Employee Benefits	34.93	42.17
Other Provisions	47.11	31.79
	82.04	**73.96**
Total Provisions	**230.25**	**211.48**

Movement in Other Provisions - Current

Rs in Crores

	2021	2020
Provision for Trade Obligations		
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

	2021	2020
Business Restructuring and Reorganisation Costs		
Opening balance	30.05	0.34
Provision during the year	23.67	29.71
Amount paid/adjusted during the year	(8.35)	-
Closing balance	**45.37**	**30.05**
Total Closing balance	**47.11**	**31.79**

18. TRADE PAYABLES

Rs in Crores

	2021	2020
Total outstanding dues of creditors other than Micro enterprises and Small enterprises*	1088.67	442.73
Total outstanding dues of Micro enterprises and Small enterprises (Refer Note 31)	13.96	4.31
	1102.63	**447.04**

* Includes due to Related Parties - Rs. 38.89 Crores (Rs. 17.85 Crores).

19. OTHER CURRENT LIABILITIES

Rs in Crores

	2021	2020
Current		
Statutory Liabilities	18.33	13.90
Advance from Customers	30.00	-
Others	51.40	62.01
Total Other Current Liabilities	**99.73**	**75.91**

Notes
to the Standalone Financial Statements for the year ended March 31, 2021

20. TAXATION

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

Rs in Crores

	2021	2020
Current tax		
Current year	5.52	4.17
Less: Tax reversal of earlier years	(6.57)	(4.78)
	(1.05)	**(0.61)**
Deferred tax	**217.68**	**206.48**
Income Tax expense for the year	**216.63**	**205.87**

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

b) Reconciliation of effective tax rate:

Rs in Crores

	2021	2020
Profit before tax	**836.14**	**729.41**
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 25.17%)	210.44	183.58
Tax effect of:		
Non-deductible tax expenses	7.37	6.98
Tax-exempt income	(0.13)	(3.96)
Tax reversals of earlier years	(6.57)	(4.78)
Non-creditable taxes	5.52	4.17
One time adjustment of new tax regime	-	19.30
Others	-	0.58
	216.63	**205.87**

c) Non-Current Tax Asset (Net):

Rs in Crores

	2021	2020
Income Tax	108.34	108.79
Dividend Distribution Tax credit	14.27	14.27
	122.61	**123.06**

d) Current Tax Liability (Net):

Rs in Crores

	2021	2020
Income Tax	5.13	16.15
	5.13	**16.15**

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

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

Rs in Crores

	2021	2020
Deferred Tax Asset	65.46	61.62
Deferred Tax Liability	(433.01)	(210.84)
Net Deferred Tax Asset/(Liability)	**(367.55)**	**(149.22)**

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	MAT Credit	Other Assets	**Total**
As at 1 April 2019	**(21.59)**	**(2.69)**	**1.53**	**46.24**	**8.72**	**1.65**	**33.86**
Deferred Tax Assets acquired on Business Combination	0.04	-	3.95	1.85	-	-	**5.84**
(Charged)/credited:							
- to Statement of profit or loss	(196.13)	(0.56)	0.17	(10.78)	-	9.54	**(197.76)**
- to Other comprehensive income	-	2.13	-	7.47	-	-	**9.60**
- to Retained Earnings	7.96	-	-	-	-	-	**7.96**
Reversal for unutilised tax credits	-	-	-	-	(8.72)	-	**(8.72)**
As at 31 March 2020	**(209.72)**	**(1.12)**	**5.65**	**44.78**	**-**	**11.19**	**(149.22)**
(Charged)/credited:							
- to Statement of profit or loss	(221.79)	0.46	3.98	1.24	-	(1.57)	**(217.68)**
- to Other comprehensive income	-	(0.83)	-	0.18	-	-	**(0.65)**
As at 31 March 2021	**(431.51)**	**(1.49)**	**9.63**	**46.20**	**-**	**9.62**	**(367.55)**

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 1st April, 2020, except that its written down value is available as a deduction in the event of sale of the underlying business. On goodwill of Rs 3578.51 crore recognised in the financial statements , through business combinations, no additional taxable temporary differences are expected to arise, having regard to the nature of the businesses to which the goodwill relates. [also refer notes 2.3(a) and 5].

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

21. REVENUE FROM OPERATIONS

Rs in Crores

	2021	2020
Revenue from Contracts with Customers		
Revenue from sale of goods	7087.06	5607.49
Revenue from sale of services	-	0.04
	7087.06	**5607.53**
Other Operating Revenues		
Export Incentive	8.55	17.70
Royalty Income	10.26	16.70
Management Service Fees	26.08	31.63
Miscellaneous Receipts	22.41	16.68
	67.30	**82.71**
	7154.36	**5690.24**

22. OTHER INCOME

Rs in Crores

	2021	2020
Interest Income		
Interest Income on Advances and Deposits carried at amortised cost	52.44	46.46
Interest Income on Income Tax refund	5.52	0.11
Dividend Income		
Non-Current Investments designated at fair value through other comprehensive income #	2.26	2.94
Investment in Subsidiaries and Associates carried at cost	52.94	44.21
Gains on Current Investments (net)	11.57	24.88
Others		
Other non operating income	0.17	2.46
Fair Value movement in Financial Instruments designated at Fair Value through profit or loss	8.11	(3.31)
	133.01	**117.75**

Includes dividend Income on Investment sold during the year Nil (Rs. 0.88 Crores)

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

23. COST OF MATERIALS CONSUMED

Rs in Crores

	2021	2020
Tea		
Opening Stock	577.09	577.57
Add: Purchases	3282.53	1842.97
Less: Closing Stock	934.99	577.09
	2924.63	1843.45
Green Leaf	24.58	27.81
Packing Material		
Opening Stock	35.34	32.31
Acquired through Business Combination	-	20.93
Add: Purchases	394.88	326.01
Less: Closing Stock	50.92	35.34
	379.30	343.91
Others	93.14	89.85
	3421.65	2305.02

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

Rs in Crores

	2021	2020
Opening Stock		
Tea	189.28	213.81
Salt and other items relating to Food Business	94.77	-
Others	5.87	4.65
	289.92	218.46
Acquired through Business Combination	-	115.82
Closing Stock		
Tea	286.49	189.28
Salt and other items relating to Food Business	109.99	94.77
Others	10.34	5.87
	406.82	289.92
	(116.90)	44.36

25. EMPLOYEE BENEFITS EXPENSE

Rs in Crores

	2021	2020
Salaries, Wages and Bonus	276.09	240.04
Contribution to Provident Fund and other Funds	20.12	19.19
Workmen and Staff Welfare Expenses	25.37	24.21
	321.58	283.44

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

26. FINANCE COSTS

Rs in Crores

	2021	2020
Interest expense on Financial liabilities measured at amortised cost	2.99	5.52
Interest expense on Lease Liabilities	15.95	11.70
Net interest on defined benefit plans	9.19	8.51
	28.13	25.73

27. OTHER EXPENSES

Rs in Crores

	2021	2020
Manufacturing and Contract Packing Expenses	91.61	84.25
Rent	56.61	46.38
Freight	299.43	269.37
Management Service Fees #	9.85	14.09
Professional/Legal fees	95.15	87.87
Miscellaneous Expenses ^	234.35	242.67
	787.00	744.63

Includes fee for technical support services Rs. 1.23 Crores (Rs. 2.29 Crores) and for other support service Rs. 8.62 Crores (Rs. 11.80 Crores).

^ Includes exchange loss Rs.1.21 Crores (Rs.8.78 Crores exchange gain in PY) and expense on CSR Rs. 11.74 Crores (Rs. 10.85 Crores).

28. EXCEPTIONAL ITEMS (NET)

Rs in Crores

	2021	2020
Expenditure		
Expenses in connection with acquisition of businesses	-	51.81
Business restructure and reorganisation Costs	61.10	-
	61.10	51.81

29. CAPITAL COMMITMENT

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2021 aggregated Rs. 12.56 Crores (Rs. 25.12 Crores).

(b) Commitment towards Share Capital contributions in Joint Ventures and Associates - Rs. 294.00 Crores (Rs. 94.50 Crores)

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

30. CONTINGENCIES:

(a) Statutory and other Commercial Claims:

Rs in Crores

	Gross	Net of Estimated Tax
(i) Taxes, Statutory Duties/ Levies etc.	**14.67**	**12.41**
	(15.86)	(13.47)
(ii) Commercial and other Claims	**2.40**	**1.97**
	(2.40)	(1.97)

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

(c) The Company has extended letter of Comfort amounting to Rs 150 Crores to the lenders of its Associate Company engaged in plantation business who have provided working capital borrowings facilities.

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, 2021.

32. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act 2013, a CSR Committee has been formed by the Company.

(a) Gross Amount required to be spent by the Company during the year Rs. 11.44 Crores (Rs. 8.96 Crores).

(b) Amount spent during the year:

2021

Rs. in Crores

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	11.74	-	11.74

2020

Rs. in Crores

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	10.85	-	10.85

33. EARNINGS PER SHARE

	2021	2020
Profit after taxation (Rs. in Crores)	619.51	523.54
Numbers of Equity Shares Outstanding	921551715	921551715
Earnings Per Share (Rs.)		
Basic	6.72	5.68
Diluted	6.72	5.68

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

Rs in Crores

	2021	2020
Capital Expenditure	0.50	0.09
Revenue Expenditure	13.95	17.84
	14.45	**17.93**

35. LEASES

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

Lease Liabilities as at March 31, 2021

Rs in Crores

	2021	2020
Current Lease Liabilities	28.94	23.69
Non-Current Lease Liabilities	215.30	121.82
Total Lease Liabilities	**244.24**	**145.51**

Contractual maturities of lease Liabilities on an undiscounted basis:

Rs in Crores

	2021	2020
Less than one year	48.78	35.75
One to two years	43.07	31.01
Two to five years	105.26	68.27
More than five years	203.84	70.09
Total	**400.95**	**205.12**

Amount Recognised in Statement of Profit and Loss

Rs in Crores

	2021	2020
Expenses relating to Short-term Lease	56.52	46.36
Expenses relating to leases of low value assets	0.09	0.02

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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

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

Rs in Crores

	2021	2020
Balance at the beginning of the year	1.19	-
Balance on transition	-	-
New additions to net investment during the year	-	1.29
Interest Income accrued during the year	0.09	0.03
Lease Receipts	(0.48)	(0.13)
Balance at the end of the year	**0.80**	**1.19**

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

Rs in Crores

	2021	2020
Less than one year	0.49	0.49
One to two years	0.37	0.49
Two to three years	-	0.37
Total	**0.86**	**1.35**

Finance income on the net investment in the Sublease recognised in the financial statement is Rs 0.09 Crores (Rs 0.03 Crores).

Notes
to the Standalone Financial Statements for the year ended March 31, 2021

36. A) RELATED PARTY DISCLOSURE

Related Parties

Promoter

Tata Sons Private Limited

Subsidiaries

Tata Consumer Products UK Group Limited
(Formerly Tata Global Beverages Group Limited)
Tata Global Beverages Holdings Limited
Tata Global Beverages Services Limited
Tata Consumer Products GB Limited
(Formerly Tata Global Beverages GB Limited)
Tata Consumer Products Overseas Holdings Ltd.
(Formerly Tata Global Beverages Overseas Holdings Ltd.)
Tata Global Beverages Overseas Limited
Lyons Tetley Limited
Tata Consumer Products US Holding Inc
(Formerly Tata Global Beverages U.S. Holdings, Inc.)
Tata Waters LLC
Tetley USA Inc
Empirical Group LLC (upto 31st March, 2021)

Tata Global Beverages Canada Inc
Tata Consumer Products Australia Pty Ltd(Formerly Tata Global Beverages Australia Pty Limited)
Earth Rules Pty Ltd.
Stansand Limited
Stansand(Brokers) Limited
Stansand(Africa) Limited
Stansand(Central Africa) Limited
Tata Consumer Products Polska sp.zo.o
(Formerly Tata Global Beverages Polska sp.zo.o)
Drassington Limited, UK
Good Earth Corporation
Good Earth Teas Inc.
Teapigs Limited.
Teapigs US LLC.
Tata Global Beverages Investments Limited
Campestres Holdings Limited
Kahutara Holdings Limited
Suntyco Holding Limited
Onomento Co Limited
Coffee Trade LLC (Liquidated on 9th April, 2020)
Tata Coffee Limited
Tata Coffee Vietnam Company Limited
Consolidated Coffee Inc.
Eight 'O Clock Coffee Company
Eight 'O Clock Holdings Inc
Tata Tea Extractions Inc
Tata Consumer Products Capital Limited
(Formerly Tata Global Beverages Capital Limited)
Tata Tea Holdings Private Limited
NourishCo Beverages Limited (w.e.f 18th May, 2020)
Tata Consumer Soulful Private Limited (Formerly Kottaram Agro foods Private Limited) (w.e.f 17th February, 2021)

Associates

Amalgamated Plantations Pvt Limited
Kanan Devan Hills Plantations Company Private Limited
TRIL Constructions Limited

Joint Ventures

NourishCo Beverages Limited (till 17th May, 2020)
Tata Starbucks Private Limited

Joint Venture of Subsidiaries

Tetley ACI (Bangladesh) Limited

Southern Tea LLC (upto 31st March, 2021)
Tetley Clover (Private) Limited
Joekels Tea Packers (Proprietary) Limited. (South Africa)

Key Management Personnel

Mr. Sunil D'Souza - CEO & Managing Director
(w.e.f 4th April, 2020)
Mr L Krishna Kumar - Executive Director & Group CFO

Subsidiary and Joint Venture of Promoter Company

Tata Investment Corporation Limited
Ewart Investments Limited
Taj Air Limited
Tata AIG General Insurance Co Limited
Tata AIA Life Insurance Co Limited

Tata Consultancy Services Limited
Tata International Singapore PTE Limited
Tata Housing Development Company Limited
Tata Elxsi Limited
Tata Industries Limited
Tata Communications Limited
Tata Teleservices Limited
Tata Teleservices Maharashtra Limited
Infiniti Retail Limited
Tata Capital Financial Services Limited

Employee Benefit Plans

Tata Tea Limited Management Staff Gratuity Fund
Tata Tea Limited Management Staff Superannuation Fund
Tata Tea Limited Staff Pension Fund
Tata Tea Limited Gratuity Fund
Tata Tea Limited Calcutta Provident Fund

Notes
to the Standalone Financial Statements for the year ended March 31, 2021

B) PARTICULARS OF TRANSACTIONS ENTERED INTO WITH RELATED PARTIES FOR THE YEAR ENDING 31 MARCH, 2021:

Rs in Crores

	2021	2020
Sales of Goods and Services		
Subsidiaries	209.62	164.50
Associates	6.14	2.62
Joint Ventures	1.15	25.78
Subsidiaries and Joint Ventures of Promoter	0.00	1.85
Other Operating Income		
Subsidiaries	27.99	32.66
Associates	3.25	3.03
Joint Ventures	10.26	17.30
Rent Paid		
Associates	2.72	2.13
Purchase of Goods & Services		
Subsidiaries	86.81	62.68
Associates	224.37	181.29
Joint Ventures	-	0.24
Other Expenses (Net)		
Subsidiaries	14.17	0.13
Joint Ventures	0.96	5.99
Associates	3.00	4.21
Promoter	18.78	16.53
Subsidiaries and Joint Ventures of Promoter	59.68	40.64
Reimbursement of Expenditure/(Income)		
Subsidiaries	(7.26)	(2.26)
Associates	(3.57)	(6.26)
Joint Ventures	(0.26)	(1.93)
Promoter	0.14	0.10
Dividend/Interest received		
Subsidiaries	52.94	43.89
Associates	2.04	1.98
Promoter	1.76	1.76
Subsidiaries and Joint Ventures of Promoter	0.26	0.29
Dividend Paid		
Promoter	73.05	46.51
Subsidiaries and Joint Ventures of Promoter	13.18	7.85
Sale of Investment		
Promoter	-	53.20
Intercorporate Loan/ Deposits Given		
Associates	3.00	-
Intercorporate Loan/ Deposits Redeemed		
Associates	-	1.75
Subsidiaries and Joint Ventures of Promoter	-	1.23
Investment made		
Joint Ventures	97.50	53.00
Directors Remuneration *		
Key Management Personnel	12.50	9.03
Contribution to Funds		
Post Employment Benefit Plans	36.58	24.30

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to the Standalone Financial Statements for the year ended March 31, 2021

Outstanding at the year end:

Rs in Crores

	2021		2020	
	Debit	Credit	Debit	Credit
Subsidiaries	51.72	6.85	37.42	1.68
Associates	17.28	1.14	25.77	2.78
Joint Ventures	3.98	-	11.27	-
Promoter	-	17.96	-	10.10
Joint Venture of Subsidiaries	-	-	0.00	-
Subsidiaries and Joint Ventures of Promoter	-	12.94	1.08	3.29
Employment Benefit Plans	-	8.27	-	10.39

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

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, 2021:

Rs in Crores

Particulars	2021	2020
Sales of Goods and Services		
Subsidiaries		
Tata Consumer Products GB Limited (Formerly known as Tata Global Beverages GB Limited)	99.55	79.58
Tata Tea Extractions Inc	54.66	57.28
Joint Ventures		
NourishCo Beverages Limited	-	25.56
Other Operating Income		
Subsidiaries		
Tata Consumer Products GB Limited (Formerly known as Tata Global Beverages GB Limited)	26.08	31.70
Joint Ventures		
Tata Starbucks Private Limited	10.26	16.70
Rent Paid		
Associates		
Kanan Devan Hills Plantation Company Private Limited	1.14	0.74
Amalgamated Plantations Pvt Limited.	1.58	1.39
Purchase of Goods & Services		
Subsidiaries		
Tata Coffee Limited	47.35	27.27
Associates		
Kanan Devan Hills Plantation Company Private Limited	95.72	77.70
Amalgamated Plantations Pvt Limited.	128.65	103.59
Other Expenses (Net)		
Subsidiaries		
NourishCo Beverages Limited	14.07	-
Joint Ventures		
NourishCo Beverages Limited	-	5.99

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to the Standalone Financial Statements for the year ended March 31, 2021

Rs in Crores

Particulars	2021	2020
Promoter		
Tata Sons Private Limited	18.78	16.53
Subsidiaries and Joint Ventures of Promoter		
Tata AIG General Insurance Limited	19.88	14.57
Tata Consultancy Services Limited	24.61	17.11
Tata Communications Limited	-	6.75
Reimbursement of Expenditure/(Income)		
Subsidiaries		
Tata Consumer Products GB Limited (Formerly known as Tata Global Beverages GB Limited)	(1.95)	(1.85)
NourishCo Beverages Limited	(4.10)	-
Associates		
Kanan Devan Hills Plantation Company Private Limited	(1.85)	(1.81)
Amalgamated Plantations Pvt Limited.	(1.72)	(2.08)
TRIL Constructions Limited	-	(2.37)
Joint Ventures		
NourishCo Beverages Limited	-	(1.76)
Dividend/Interest received		
Subsidiaries		
Tata Coffee Limited	16.10	16.10
Consolidated Coffee Inc.	29.29	23.67
Tata Tea Extractions Inc	7.55	-
Dividend Paid		
Promoter		
Tata Sons Private Limited	73.05	46.51
Subsidiaries and Joint Ventures of Promoter		
Tata Investment Corporation Limited	11.95	6.74
Sale of Investment		
Promoter		
Tata Sons Private Limited	-	53.20
Intercorporate Loan/ Deposits Given		
Associates		
Kanan Devan Hills Plantation Company Private Limited	3.00	-
Intercorporate Loan/ Deposits Redeemed		
Associates		
Kanan Devan Hills Plantation Company Private Limited	-	1.75
Subsidiaries and Joint Ventures of Promoter		
Taj Air Ltd.	-	1.23
Investment made		
Joint Ventures		
Tata Starbucks Private Limited	97.50	53.00
Contribution to Funds		
Post Employment Benefit Plans		
Tata Tea Limited Management Staff Gratuity Fund	11.15	3.31
Tata Tea Limited Management Staff Superannuation Fund	-	2.88
Tata Tea Limited Gratuity Fund	4.66	-
Tata Tea Limited Calcutta Provident Fund	17.32	15.81

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to the Standalone Financial Statements for the year ended March 31, 2021

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

Amount of Loans and Advances in nature of loans outstanding from subsidiaries and associates as at March 31, 2021:

Rs. in Crores

	Outstanding 2021	Maximum during the year
Associate Company		
Kanan Devan Hills Plantation Company Private Limited	20.00	20.00
	(17.00)	(18.75)

E) Pursuant to the Scheme of Arrangement in the previous year, promoter and its subsidiaries were issued 82241927 and 17416518 equity shares respectively and 228 equity shares were issued to Key Managerial personnel, as a part of the shares issued to the shareholders of Tata Chemicals Limited in FY 2019-20.

37. A INTERESTS IN OTHER ENTITIES

(i) Subsidiaries

The Company's direct Subsidiaries as at March 31, 2021 is given below.

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2021	% holding 2020
1	Tata Consumer Products Capital Limited (Formerly Tata Global Beverages Capital Limited)	UK	Holding company	100.00	100.00
2	Tata Consumer Products UK Group Limited (Formerly Tata Global Beverages Group Limited)*	UK	Holding company	89.10	89.10
3	Tata Coffee Ltd.	India	Manufacturing, marketing and distribution of coffee & tea	57.48	57.48
4	Tata Tea Extractions Inc.	USA	Manufacturing, marketing and distribution of tea	100.00	100.00
5	Tata Tea Holdings Private Ltd.	India	Investment Company	100.00	100.00
6	NourishCo Beverages Ltd. (w.e.f 18th May, 2020)	India	Marketing and distribution of water	100.00	-
7	Tata Consumer Soulful Private Limited (Formerly Kottaram Agro foods Private Limited) (w.e.f 17th February, 2021)	India	Manufacturing, marketing and distribution of Food Products	100.00	-

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

(ii) Joint Ventures

A list of Company's Joint Ventures as at March 31, 2021 is given below.

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2021	% holding 2020
1	NourishCo Beverages Ltd.	India	Marketing and distribution of water	-	50.00
2	Tata Starbucks Private Ltd.	India	Operating Starbucks Café in India	50.00	50.00

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to the Standalone Financial Statements for the year ended March 31, 2021

(iii) Associates

A list of Company's Associates as at March 31, 2021 is given below.

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2021	% holding 2020
1	Amalgamated Plantations Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	41.03	41.03
2	Kanan Devan Hills Plantations Co. Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	28.52	28.52
3	TRIL Constructions Ltd.	India	Development of real estate and infrastucture facilities	32.50	32.50

B SEGMENT DISCLOSURE

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

38. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

Rs. in Crores

2021	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial assets								
Investments								
Quoted Equity Instruments	-	15.21	-	15.21	15.21	-	-	15.21
Unquoted Equity Instruments *	-	134.78	-	134.78	-	8.17	126.61	134.78
Unquoted Preference Shares	53.22	-	-	53.22	-	-	53.22	53.22
Loans	-	-	21.71	21.71	-	-	-	-
Other Financial Assets	76.20	-	27.39	103.59	-	76.20	-	76.20
Current Financial assets								
Current Investments	287.77	-	-	287.77	287.77	-	-	287.77
Trade Receivables	-	-	257.23	257.23	-	-	-	-
Cash and Cash Equivalents	-	-	644.74	644.74	-	-	-	-
Other Bank Balances	-	-	968.95	968.95	-	-	-	-
Loans	-	-	3.79	3.79	-	-	-	-
Other Financial assets	-	1.11	30.46	31.57	-	1.11	-	1.11
	417.19	151.10	1954.27	2522.56	302.98	85.48	179.83	568.29
Non - Current Financial liabilities								
Lease Liability	-	-	215.30	215.30	-	-	-	-
Others	76.20	-	-	76.20	-	76.20	-	76.20
Current Financial liabilities								
Lease Liability	-	-	28.94	28.94	-	-	-	-
Trade Payables	-	-	1102.63	1102.63	-	-	-	-
Other Financial Liabilities	-	-	81.93	81.93	-	-	-	-
	76.20	-	1428.80	1505.00	-	76.20	-	76.20

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

Rs. in Crores

2020	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial assets								
Investments								
Quoted Equity Instruments	-	9.73	-	9.73	9.73	-	-	9.73
Unquoted Equity Instruments *	-	134.39	-	134.39	-	7.78	126.61	134.39
Unquoted Preference Shares	45.11	-	-	45.11	-	-	45.11	45.11
Loans	-	-	22.35	22.35	-	-	-	-
Other Financial assets	-	-	24.68	24.68	-	-	-	-
Current Financial assets								
Current Investment	724.51	-	-	724.51	724.51	-	-	724.51
Trade Receivables	-	-	314.17	314.17	-	-	-	-
Cash and Cash Equivalents	-	-	243.24	243.24	-	-	-	-
Other Bank Balances	-	-	494.53	494.53	-	-	-	-
Loans	-	-	0.66	0.66	-	-	-	-
Other Financial Assets	-	-	75.20	75.20	-	-	-	-
	769.62	**144.12**	**1174.83**	**2088.57**	**734.24**	**7.78**	**171.72**	**913.74**
Non-Current Financial liabilities								
Lease Liability			121.82	121.82				
Current Financial liabilities								
Borrowings	-	-	35.00	35.00	-	-	-	-
Lease Liability			23.69	23.69				
Trade Payables	-	-	447.04	447.04	-	-	-	-
Other Financial Liabilities	-	1.51	118.60	120.11	-	1.51	-	1.51
	-	**1.51**	**746.15**	**747.66**	**-**	**1.51**	**-**	**1.51**

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

B. 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 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

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

Covid 19 pandemic – The Company's performance was not adversely impacted by the Covid pandemic but recorded good top line growth. However, tea commodity costs were adversely impacted. There can be future business uncertainties depending on developments in relation to the pandemic, particularly those arising from the second wave in India, which could include market closures, supply constraints and commodity cost volatility. Assessment of impact of Covid 19 pandemic on various elements of the risk management framework has been dealt with in the relevant sections below:

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.

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

	Rs in Crores
Balance as at March 31, 2019	**4.14**
Acquired through Business Combination	11.43
Impairment loss recognised	(1.11)
Amounts written off	-
Balance as at March 31, 2020	**14.46**
Impairment loss recognised	20.46
Amounts written off	-
Balance as at March 31, 2021	**34.92**

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to the Standalone Financial Statements for the year ended March 31, 2021

Impact of Covid 19 pandemic - Based on recent trends observed , collection pattern and insurance covers in place, the Company does not envisage any material risks. Future outlook will depend on how the pandemic develops and the resultant impact on businesses

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.

Impact of Covid 19 pandemic- Based on the recent trends observed, type of instruments and strength of the counterparties, the Company does not envisage any material risks. Wherever the underlying assets/ instruments are subject to market risks, the same have been marked to market as at the Balance Sheet date. Future outlook will depend on how the pandemic develops and the resultant impact on businesses.

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

2021	Carrying amount	Less than 1 year	1- 2 year	2- 5 years	More than 5 years
Current Financial Liabilities					
Trade Payables	1,102.63	1,102.63	-	-	-
Other Financial Liabilities	81.93	81.93	-	-	-
Non-Current Financial Liabilities					
Others	76.20	-	-	76.20	-

Rs. in Crores

2020	Carrying amount	Less than 1 year	1- 2 year	2- 5 years	More than 5 years
Current Financial Liabilities					
Borrowings	35.00	35.00	-	-	-
Trade Payables	447.04	447.04	-	-	-
Other Financial Liabilities	120.11	120.11	-	-	-

Impact of Covid 19 pandemic- Based on recent trends observed, profitability, cash generation, cash surpluses held and borrowing lines available, the Company does not envisage any material liquidity risks. Future outlook will depend on how the pandemic develops and the resultant impact on businesses. .

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

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.

Impact of Covid 19 pandemic- The pandemic can cause continuing volatility in the currency market and this risk would be mitigated through effective hedging policies. Further, the Company basis the recent trends believe that the probability of the non-occurrence of forecasted transactions is minimal. The Company also does not expect any material deterioration in both counterparty credit risk and own credit risk. Accordingly, the Company continues to believe that there is no impact on effectiveness of its hedges. Future outlook would depend on how the pandemic develops and the resultant impact on businesses.

Exposure to currency risk

The currency profile of financial assets and liabilities as at March 31, 2021 and March 31, 2020 are as below:

Rs. in Crores

2021	USD	GBP	Others	Total
Financial assets				
Trade receivables	35.85	-	20.92	56.77
Financial liabilities				
Trade payables	4.21	2.46	1.52	8.19

Rs. in Crores

2020	USD	GBP	Others	Total
Financial assets				
Trade receivables	29.97		14.28	44.25
Financial liabilities				
Trade payables	2.39	2.41	0.15	4.95

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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	2021		2020	
	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	2.43	(2.65)	1.97	(3.03)
5% depreciation of the underlying foreign currencies	(2.43)	2.65	(1.97)	3.03

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

Rs. in Crores

Category	Instrument	Currency pair	2021			2020		
			FCY Amount (million)	Equivalent Amount (Rs. in Crores)	Fair Value Amount (Rs. in Crores)*	FCY Amount (millon)	Equivalent Amount (Rs. in Crores)	Fair Value Amount (Rs. in Crores)*
Hedges of highly probable forecasted transactions	Forward contract	USD/INR	9.20	70.23	1.31	10.23	75.44	(3.24)
Hedges of highly probable forecasted transactions	Forward contract	AUD/INR	6.05	34.38	(0.20)	4.85	24.49	1.73

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

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

Rs. in Crores

Details	2021	2020
Balance at the beginning of the period	(1.13)	3.27
Movement during the year	2.62	(6.53)
Tax impact on above	(0.66)	2.13
Balance at the end of the period	0.83	(1.13)

b) **Interest rate risk**

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

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

c) **Price Risk**

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

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

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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.

Impact of Covid 19 pandemic- Based on recent trends, the Company believes that depending on the prevalence of lockdown conditions in regions from where raw materials are sourced, disruptions to the supply chain cannot be ruled out. This is an area which will be dynamically reviewed and managed by the Company. Future outlook will depend on how the pandemic develops and the resultant impact on businesses

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

	2021	2020
Total Borrowings	-	35.00
Less: Cash and Cash Equivalents including Deposits	1,604.10	728.89
Less: Current Investments	287.77	724.51
Less: Inter Corporate Deposits/Loan	24.25	21.25
Adjusted net (cash)/debt	**(1916.12)**	**(1,439.65)**
Total Equity	**11224.10**	**10850.01**

39. POST RETIREMENT EMPLOYEE BENEFITS

(i) Defined Contributions

Amount of Rs. 14.23 Crores (Rs. 13.29 Crores) is recognised as an expense and included in employee benefit expense to the following defined contribution plans:

Rs in Crores

	2021	2020
Provident Fund	8.63	7.63
Superannuation Fund	3.46	3.83
Employee state insurance schemes	2.14	1.83
	14.23	**13.29**

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

(ii) Defined Benefits:
Gratuity, Pension and Post Retiral Medical Benefits:

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

Changes in the Defined Benefit Obligation:

Rs. in Crores

	Pension		Gratuity		Medical		Others	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Opening Defined Benefit Obligation	6.77	6.72	76.39	59.08	51.55	40.12	83.84	68.05
Acquired on Business Combination	-	-	-	5.42	-	-	-	-
Current Service cost	-	-	5.58	3.50	1.59	1.18	6.13	2.59
Interest on Defined Benefit Obligation	0.36	0.48	4.59	4.21	3.30	3.05	5.31	5.11
Actuarial changes arising from change in experience	(0.29)	0.28	0.14	(0.19)	(2.10)	(0.62)	1.12	2.81
Actuarial changes arising from change in demographic assumption	-	0.01	-	0.64	-	-	-	-
Actuarial changes arising from changes in financial assumption	0.02	0.29	0.68	6.59	0.83	8.79	0.27	9.09
Benefits Paid	(1.35)	(1.01)	(9.43)	(3.23)	(1.05)	(0.97)	(4.56)	(3.81)
Liability assumed/settled	-	-	0.02	0.37	-	-	-	-
Closing Defined Benefit Obligation	**5.51**	**6.77**	**77.97**	**76.39**	**54.12**	**51.55**	**92.11**	**83.84**

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

Rs. in Crores

	Pension		Gratuity	
	2021	**2020**	**2021**	**2020**
Opening fair value of Plan assets	5.92	5.75	65.98	54.32
Acquired on Business Combination	-	-	-	5.42
Employers contribution	-	-	10.49	4.75
Interest on Plan Assets	0.31	0.41	4.06	3.93
Actual return on plan assets less interest on plan assets	0.07	0.53	0.18	0.42
Benefits Paid	(1.16)	(0.77)	(9.43)	(3.23)
Asset acquired/(settled)	-		0.02	0.37
Closing Fair value of plan assets	**5.14**	**5.92**	**71.30**	**65.98**

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

Net Asset/(Liability) recognised in balance sheet:

Rs. in Crores

	Pension		Gratuity		Medical		Others	
	2021	2020	2021	2020	2021	2020	2021	2020
Present Value of Funded defined benefit obligation at the year end	3.46	4.44	77.97	76.39	-	-	-	-
Fair value of plan assets at the end of the year	5.14	5.92	71.30	65.98	-	-	-	-
	(1.68)	**(1.48)**	6.67	**10.41**	-	**-**	-	
Present Value of Unfunded defined benefit obligation at the year end	2.05	2.33	-	-	54.12	51.55	92.11	83.84
Asset ceiling	0.57	0.52	-	-	-	-	-	-
Amount recognised in Balance Sheet	**0.94**	**1.37**	**6.67**	**10.41**	**54.12**	**51.55**	**92.11**	**83.84**

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

Rs. in Crores

	Pension		Gratuity		Medical		Others	
	2021	2020	2021	2020	2021	2020	2021	2020
Current Service Cost	-	-	5.58	3.50	1.59	1.18	6.13	2.59
Interest cost on defined benefit obligation (net)	0.05	0.07	0.53	0.28	3.30	3.05	5.31	5.11
Total recognised in the statement of profit and loss	**0.05**	**0.07**	**6.11**	**3.78**	**4.89**	**4.23**	**11.44**	**7.70**

Amounts recognised in Other Comprehensive Income for the year:

Rs. in Crores

	Pension		Gratuity		Medical		Others	
	2021	2020	2021	2020	2021	2020	2021	2020
Actuarial changes arising from changes in financial assumption	0.02	0.29	0.68	6.59	0.83	8.79	0.27	9.09
Actuarial changes arising from changes in demographic assumption	-	0.01	-	0.64	-	-	-	-
Actuarial changes arising from changes in experience assumption	(0.29)	0.28	0.14	(0.19)	(2.10)	(0.62)	1.12	2.81
Return on plan asset excluding interest Income	(0.07)	(0.53)	(0.18)	(0.42)	-	-	-	-
Adjustment to recognise the effect of asset ceiling	0.01	0.01	-	-	-	-	-	-
Total recognised in Other Comprehensive Income	**(0.33)**	**0.06**	**0.64**	**6.62**	**(1.27)**	**8.17**	**1.39**	**11.90**

Maturity Profile of defined benefit obligation:

Rs. in Crores

	Pension		Gratuity		Medical		Others	
	2021	2020	2021	2020	2021	2020	2021	2020
Within next 12 months	2.21	2.66	10.26	11.73	1.78	1.64	5.80	5.21
Between 2 and 5 years	2.86	3.45	22.77	22.45	7.71	7.10	25.13	23.24
Between 6 and 9 years	1.83	2.19	25.53	26.73	8.53	7.91	27.98	25.92
10 years and above	1.77	2.28	98.49	91.74	48.41	45.32	139.12	131.18

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

Principal Actuarial assumptions used:

	2021	2020
Discount rates	6.40%	6.50%
Salary escalation rate	8% for management staff 7% for workers/staff	8% for management staff 7% for workers/staff
Annual increase in health care costs	8%	8%
Pension increase rate	18% after every three years	18% after every three years
Mortality rates	Indian Assured Lives mortality (2012-14) Ult Table	Indian Assured Lives mortality (2012-14) Ult Table

Quantitative sensitivity analysis for significant assumption is as below:

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

Rs. in Crores

	Pension	Gratuity	Medical	Others
	2021	2021	2021	2021
Impact of increase in 50 basis point in discount rate on Defined Benefit Obligation	(0.10)	(3.32)	(3.86)	(4.21)
Impact of decrease in 50 basis point in discount rate on Defined Benefit Obligation	0.10	3.58	4.35	4.57
Impact of increase in 50 basis point in salary escalation on Defined Benefit Obligation	-	3.52	-	-
Impact of decrease in 50 basis point in salary escalation on Defined Benefit Obligation	-	(3.29)	-	-
Impact of increase in 100 basis point in health care cost on Defined Benefit Obligation	-	-	8.93	0.12
Impact of decrease in 100 basis point in health care cost on Defined Benefit Obligation	-	-	(7.17)	(0.11)
Impact of increase in 100 basis point in pension rate on Defined Benefit Obligation	0.07	-	-	2.55
Impact of decrease in 100 basis point in pension rate on Defined Benefit Obligation	(0.07)	-	-	(2.46)
Impact of increase in 1 year in Life Expectancy on Defined Benefit Obligation	0.13	-	2.94	3.81
Impact of decrease in 1 year in Life Expectancy on Defined Benefit Obligation	(0.13)	-	(2.95)	(3.79)

Major Categories of Plan Assets:

Rs. in Crores

	Pension		Gratuity	
	2021	2020	2021	2020
Govt of India Securities	0.10	0.11	-	-
Insurance managed Funds	4.90	5.13	70.95	65.64
Others	0.14	0.68	0.35	0.34
Total	**5.14**	**5.92**	**71.30**	**65.98**

Notes

to the Standalone Financial Statements for the year ended March 31, 2021

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, 2021 and March 31, 2020, 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. 6.67 Crores** to defined benefit obligation funds for the year ending March 31, 2022

(iii) Provident Fund

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

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

Rs. in Crores

	2021	2020
Plan Assets as at year end	178.52	145.04
Present Value of Funded Obligations at year end	183.96	146.47
Amount Recognised in the Balance Sheet	(5.44)	(1.43)

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

	2021	2020
Guaranteed Rate of Return	8.50%	8.50%
Discount Rate for remaining term to Maturity of Investment	6.55%	6.45%
Expected Rate of Return on Investment	8.35%	8.70%

40. AUDIT FEES

Rs. in Crores

	2021	2020
Statutory Audit	1.70	1.60
Tax Audit	0.16	0.16
Arrears for Previous year	-	0.24
Other Services (including Limited Reviews)	1.39	0.96
Reimbursement of Expenses	0.03	0.15
	3.28	**3.11**

41. 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 (Formerly known as Tata Global Beverages 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, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on financial statements of the subsidiaries and joint ventures referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, 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 (SAs). 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	**IT System Upgradation:** The Parent used SAP ECC 6.0 which was upgraded to SAP S/4 HANA in March 2021. Migration to S/4 HANA is a major upgrade to the existing core enterprise application system resulting into a significant change to the financial accounting configuration which is the core for financial reporting including preparation of standalone financial statements. Risks identified as emanating from the aforesaid change were: i) Inappropriate changes made to the application systems or programs that contain relevant automated controls (i.e., configurable settings, automated algorithms, automated calculations, and automated data extraction) and/or report logic; and ii) Systems not adequately configured or updated to restrict system access to authorized users.	**Our audit procedures included obtaining detailed project plan and SAP Governance framework for transition to new SAP landscape.** We involved Information Technology (IT) Specialists as part of the audit team to perform audit procedures in respect of this upgradation. Audit procedures that were performed by the IT Specialists, are as below: • Obtained User Acceptance Testing ('UAT') sign-off to ensure that the implemented system was configured in line with business requirements, performing test of General IT Controls and user access controls in respect of SAP S/4 HANA IT environment; • Tested the operating effectiveness of the data migration process; and • Tested the automated controls. The audit procedures also involved testing of transactions, segregation of duties (SOD) rules to ensure system access was restricted to authorized users and testing of interface controls between new SAP environment and other auxiliary systems.
2	**Impairment of the carrying value of goodwill on consolidation -** On account of competitive pressure and decline in black tea demand in developed markets there is a risk that the Group's goodwill, 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 of the financial statements	**The goodwill has been recorded in the books of an overseas component. The Principal Auditors have used the work of Component Auditors. The Component Auditor has reported that they have performed these 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 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.

Independent Auditor's Report (continued)

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>3.</td><td> 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 and the possible impact of COVID-19, determination of the net realizable value for green coffee beans, tea and pepper involves significant management judgement and therefore has been considered as a key audit matter. The total value of finished goods (commodities) as at 31 March, 2021 is Rs.114.76 crore. </td><td> This matter is in respect of the Tata Coffee Limited component. The Principal Auditors 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.</td></tr>
</table>

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 Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, associates and joint ventures is traced from their financial statements audited by the other auditors.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board 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 Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board 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

Independent Auditor's Report (continued)

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 36 subsidiaries whose financial statements reflect total assets of Rs. 10,436.63 crore as at March 31, 2021, total revenues of Rs. 3,846.03 crore and net cash inflows amounting to Rs. 398.65 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 Rs. 9.29 crore for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of 4 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures.

   ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India.

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

Sanjiv V Pilgaonkar
Partner
(Membership No.039826)
UDIN: 21039826AAAADO4266

Place: Mumbai
Date: May 06, 2021

Annexure "A" to the Independent Auditor's Report

(REFERRED TO IN PARAGRAPH (F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Tata Consumer Products Limited (hereinafter referred to as the "Parent") and its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies, its associate companies and its joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent, its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sanjiv V Pilgaonkar
Partner
(Membership No.039826)
UDIN: 21039826AAAADO4266

Place: Mumbai
Date: May 06, 2021

Consolidated Balance Sheet

as at March 31, 2021

Rs in Crores

	Note	2021	2020
ASSETS			
Non-Current Assets			
Property Plant and Equipment	3	1222.67	1207.50
Capital Work in Progress		93.17	87.56
Investment Property	4	33.17	50.04
Right of Use Assets	5	386.41	293.46
Goodwill	6	7596.57	7333.83
Other Intangible Assets	6	2784.31	2771.21
Intangible Assets under Development		19.68	7.79
Investments accounted for using Equity method	35(c)	207.27	228.19
Financial Assets			
Investments	7	275.46	261.11
Loans	8	21.87	22.50
Other Financial Assets	9	74.92	32.17
Deferred Tax Assets (net)	20 (d)	38.05	29.56
Non-current Tax Assets (net)	20 (c)	142.30	146.06
Other Non Current Assets	10	311.39	349.56
		13207.24	**12820.54**
Current Assets			
Inventories	11	2249.16	1712.03
Financial Assets			
Investments	7	323.16	833.55
Trade Receivables	12	761.32	922.41
Cash and Cash Equivalents	13	2041.99	1121.67
Other Bank balances	13	1032.89	499.79
Loans	8	185.12	116.54
Other Financial Assets	9	116.35	173.24
Current Tax Assets (net)	20 (c)	1.37	1.17
Other Current Assets	10	337.27	301.66
		7048.63	**5682.06**
TOTAL ASSETS		20255.87	**18502.60**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14 (a)	92.16	92.16
Other Equity	14 (b)	14442.35	13722.70
Equity attributable to the equity holders of the company		14534.51	**13814.86**
Non Controlling Interest		1092.53	1092.47
Total Equity		15627.04	**14907.33**
Non-Current Liabilities			
Financial Liabilities			
Borrowings	15	287.54	794.67
Lease Liabilities	34	389.10	291.96
Other Financial Liabilities	16	80.24	13.93
Provisions	17	192.46	183.22
Deferred Tax Liabilities (net)	20 (d)	570.16	316.03
Non Current Tax Liabilities	20 (c)	14.87	16.86
		1534.37	**1616.67**
Current Liabilities			
Financial Liabilities			
Borrowings	15	433.06	387.81
Lease Liabilities	34	37.81	37.97
Trade Payables	18	1625.47	943.99
Other Financial Liabilities	16	736.23	382.55
Other Current Liabilities	19	136.09	100.25
Provisions	17	101.71	92.41
Current Tax Liabilities (net)	20 (c)	24.09	33.62
		3094.46	**1978.60**
TOTAL EQUITY AND LIABILITIES		20255.87	**18502.60**

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

In terms of our report attached.

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, May 06, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
(DIN 00121863)

S. Santhanakrishnan
Director
(DIN 00032049)

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

L. KrishnaKumar
Executive Director
(DIN 00423616)

John Jacob
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

Rs in Crores

	Note	2021	2020
Income			
Revenue from Operations	21	11602.03	9637.42
Other Income	22	121.38	111.59
Total Income		11723.41	**9749.01**
Expenses			
Cost of Materials Consumed	23	4937.45	3606.66
Purchase of Stock in Trade		2114.40	1796.24
Change in Inventories of Finished Goods/Work-in-progress/ Stock in Trade	24	(149.54)	7.78
Employee Benefits Expense	25	970.23	884.80
Finance Costs	26	68.69	77.86
Depreciation and Amortisation Expense		254.74	241.71
Advertisement and Sale Charges		726.27	676.72
Other Expenses	27	1459.46	1373.07
Total Expenses		10381.70	**8664.84**
Profit before Exceptional Items and Tax		1341.71	**1084.17**
Exceptional Items (net)	28	(30.65)	(274.79)
Profit before Tax		1311.06	**809.38**
Tax expenses	20 (a)		
Current tax		98.16	89.05
Deferred tax		219.11	185.14
		317.27	**274.19**
Profit after Taxation before share of results of investments accounted using equity method		993.79	**535.19**
Share of net profit/(loss) in Associates and Joint Ventures using equity method		(63.33)	(75.08)
Profit for the year		930.46	**460.11**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plan		(145.58)	31.18
Changes in fair valuation of equity instruments		5.88	12.50
		(139.70)	**43.68**
Tax impact on above items		22.06	(3.31)
		(117.64)	**40.37**
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		262.68	225.69
Gains/(loss) on Effective portion of cash flow hedges		3.56	13.48
		266.24	**239.17**
Tax impact on above items		0.82	1.94
		267.06	**241.11**
Total Other Comprehensive Income		149.42	**281.48**
Total Comprehensive Income		1079.88	**741.59**
Net Profit for the year - attributable to :			
Owners of Parent		856.69	459.76
Non Controlling Interest		73.77	0.35
Net profit for the year		930.46	**460.11**
Other Comprehensive Income - attributable to :			
Owners of Parent		127.49	233.89
Non Controlling Interest		21.93	47.59
Other Comprehensive Income		149.42	**281.48**
Total Comprehensive Income - attributable to :			
Owners of Parent		984.18	693.65
Non Controlling Interest		95.70	47.94
Total Comprehensive Income		1079.88	**741.59**
Earnings Per Share			
Equity share of nominal value of Re. 1 each			
Basic and Diluted	29	9.30	**4.99**

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

In terms of our report attached.

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, May 06, 2021

For and on behalf of the Board

N. Chandrasekaran
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L. KrishnaKumar
Executive Director
(DIN 00423616)

John Jacob
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Consolidated Statement of Changes in Equity

as at March 31, 2021

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	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, 2019	63.11	15.79	361.05	0.10	1.00	8.33	21.86	1166.95	5667.33	(9.93)	34.98	1.12	7268.58	1027.68	8359.37
Profit for the year	-	-	-	-	-	-	-	-	459.76	-	-	-	459.76	0.35	460.11
Other Comprehensive Income									22.51	16.64	11.37	183.37	233.89	47.59	281.48
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	482.27	16.64	11.37	183.37	693.65	47.94	741.59
Transaction with owners in their capacity as owners															
Dividends (including tax on dividend)	-	-	-	-	-	-	-	-	(189.43)	-	-	-	(189.43)	(31.34)	(220.77)
Issue of shares pursuant to the Scheme	29.05	-	6069.82	-	-	-	-	-	-	-	-	-	6069.82	-	6098.87
Transitional adjustments of Ind AS 116 - Lease	-	-	-	-	-	-	-	-	(63.29)	-	-	-	(63.29)	(4.91)	(68.20)
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income	-	-	-	-	-	-	-	-	54.52	-	(54.52)	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-	3.78	(3.78)	-	-	-	-	-	-
Reclassification of Foreign Currency Translation Reserve on disposal of foreign operations	-	-	-	-	-	-	-	-	-	-	-	(3.15)	(3.15)	(0.38)	(3.53)
Adjustment on change in ownership	-	-	-	-	-	-	-	-	(45.67)	-	-	(7.81)	(53.48)	53.48	-
Balance as at March 31, 2020	92.16	15.79	6430.87	0.10	1.00	8.33	21.86	1170.73	5901.95	6.71	(8.17)	173.53	13722.70	1092.47	14907.33
Profit for the year	-	-	-	-	-	-	-	-	856.69	-	-	-	856.69	73.77	930.46
Other Comprehensive Income									(112.03)	(0.99)	5.88	234.63	127.49	21.93	149.42
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	744.66	(0.99)	5.88	234.63	984.18	95.70	1079.88
Transaction with owners in their capacity as owners															
Dividends	-	-	-	-	-	-	-	-	(248.82)	-	-	-	(248.82)	(18.35)	(267.17)
Transfer to General Reserve	-	-	-	-	-	-	-	4.75	(4.75)	-	-	-	-	-	-
Reclassification of Foreign Currency Translation Reserve on disposal of foreign operations	-	-	-	-	-	-	-	-	-	-	-	(19.02)	(19.02)	(2.33)	(21.35)
Reversal of Dividend Distribution Tax	-	-	-	-	-	-	-	-	3.31	-	-	-	3.31	2.45	5.76
Adjustment on disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	(77.41)	(77.41)
Balance as at March 31, 2021	92.16	15.79	6430.87	0.10	1.00	8.33	21.86	1175.48	6396.35	5.72	(2.29)	389.14	14442.35	1092.53	15627.04

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

In terms of our report attached.

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, May 06, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
(DIN 00121863)

S. Santhanakrishnan
Director
(DIN 00032049)

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

L. KrishnaKumar
Executive Director
(DIN 00423616)

John Jacob
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Consolidated Statement of Cash Flow

for the year ended March31, 2021

Rs in Crores

		2021		2020	
A.	**Cash Flow from Operating Activities**				
	Net Profit before Tax		1311.06		809.38
	Adjusted for :				
	Depreciation and amortisation	254.74		241.71	
	Finance Cost	68.69		77.86	
	Dividend Income	(2.02)		(3.47)	
	Profit on sale of Current Investments (net)	(13.00)		(25.50)	
	Fair value movement in Financial instruments at fair value through profit and loss	(8.11)		(2.57)	
	Interest Income	(72.70)		(61.81)	
	Unrealised foreign exchange (gain) / loss	4.13		(7.18)	
	Impairment loss recognised in trade receivables & advances (net of reversal)	21.49		(3.41)	
	(Profit) / Loss on sale of Property, Plant & Equipment including investment property (net)	(11.75)		(4.03)	
	Rental Income from Investment Property	(3.81)		(3.14)	
	Exceptional items -				
	Gain on conversion of a Joint Venture into a Subsidiary	(84.30)		-	
	(Gain) / Loss on Disposal of a Subsidiary / Joint Venture	46.45		(10.38)	
	Impairment of Goodwill	-		222.94	
	Loss on disposal of a business	4.25		-	
	Other Exceptional Items	64.25		62.23	
			268.31		483.25
	Operating Profit before working capital changes		1579.37		1292.63
	Adjustments for:				
	Trade Receivables & Other Assets	186.14		(177.30)	
	Inventories	(533.45)		81.46	
	Trade Payables & Other Liabilities	530.74		13.82	
			183.43		(82.02)
	Cash generated from operations		1762.80		1210.61
	Direct taxes paid (net)		(106.43)		(128.38)
	Net Cash from Operating Activities		1656.37		1082.23
B.	**Cash Flow from Investing Activities**				
	Payment for Property, Plant and Equipment including Intangibles	(210.68)		(159.58)	
	Sale of Property, Plant and Equipment	31.50		8.82	
	Rental Income from Investment Property	3.81		3.14	
	Sale of Non Current Investments carried at Fair value through OCI	0.02		65.27	
	Acquisition of Business	-		(101.01)	
	Acquisition of Subsidiaries	(168.80)		-	
	Investments in Joint Ventures	(112.32)		(53.00)	
	Proceeds from disposal of Subsidiary / Joint Venture	56.99		30.38	
	Purchase of Non-Current Investments	-		(0.16)	
	Dividend Income received (including dividend from Associates & JVs)	5.10		5.31	
	Interest Income received	67.96		51.13	
	(Purchase) / Sale of Current Investments (net)	523.39		(222.00)	
	(Placement) / Redemption Fixed deposits (net)	(532.38)		(433.53)	
	Inter Corporate Loans and Deposits (net)	(73.00)		132.46	
	Net Cash from / (used in) Investing Activities		(408.41)		(672.77)

Consolidated Statement of Cash Flow

for the year ended March31, 2021

Rs in Crores

		2021	2020
C.	**Cash Flow from Financing Activities**		
	Proceeds from / (Repayment of) Long term borrowings (net)	(69.16)	(18.14)
	Proceeds from / (Repayment of) Short term borrowings (net)	11.82	50.25
	Payment of Lease Liabilities	(45.06)	(48.56)
	Dividend & Dividend Tax paid	(267.29)	(221.62)
	Finance Cost paid	(65.41)	(70.26)
	Refund of Dividend Distribution Tax paid in an earlier year	9.07	-
	Net Cash from / (used in) Financing Activities	**(426.03)**	**(308.33)**
	Net increase / (decrease) in Cash and Cash Equivalents	**821.93**	**101.13**
D.	**Cash and Cash Equivalents**		
	Balances at the beginning of the year	889.34	737.48
	Add: Cash and Cash equivalent of the acquired companies	44.08	-
	Less: Cash and Cash equivalent on disposal of a Subsidiary	(22.80)	-
	Exchange Gain/ (Loss) on translation of foreign currency cash/cash equivalents	40.63	50.73
	Balances at the end of the year	**1773.18**	**889.34**

Rs in Crores

	2021	2020
Reconciliation with Balance Sheet		
Cash and Cash Equivalents	1773.18	889.34
Add : Bank Overdraft	268.81	232.33
Balances at the end of the year (Refer Note 13)	**2041.99**	**1121.67**

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

In terms of our report attached.

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, May 06, 2021

For and on behalf of the Board

N. Chandrasekaran
Chairman
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Director
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Managing Director & CEO
(DIN: 07194259)

L. KrishnaKumar
Executive Director
(DIN 00423616)

John Jacob
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

1. GENERAL INFORMATION

Tata Consumer Products Limited ("the Parent Company") (formerly Tata Global Beverages Limited) 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 and Water collectively termed as branded beverage business, and Salt, Pulses, Spices, Snacks etc. collectively termed as branded foods 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, 2021 were approved for issue by Company's Board of Directors on May 06, 2021.

2. PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENT

2.1 Basis of preparation and measurement

(a) Basis of preparation

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

(b) Basis of measurement

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

(c) Basis of consolidation

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

Subsidiaries

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

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

Investment in Associates and Joint Ventures

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

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

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

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.

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

Acquisition-related costs are expensed as incurred.

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

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts,

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

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.

ii) **Depreciation:** Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

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

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

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

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

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

(c) Biological Assets

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

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

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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.

(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

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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 Intangible Assets 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. 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 asset at its fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss is expensed in the Statement of Profit or loss.

Subsequent measurement

Debt Instruments:

Subsequent measurement of debt 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.

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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 FVTOCI 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 FVTOCI 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 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.

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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 an entity 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.

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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) 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.

(l) 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.

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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.

(m) 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.

(n) 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

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

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

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

(o) 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.

(p) 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 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.

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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.

(q) **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.

(r) **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.

(s) **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, for the effects of all dilutive potential ordinary shares.

(t) **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.

(u) **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.

(v) **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

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circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future period.

The areas involving critical estimates or judgements are:

a) **Goodwill and Intangibles**
The Group records all intangible assets acquired including goodwill as part of a business combination at fair values. In relation to business combinations, judgement is required to be exercised on determining the fair values, identification and measurement of assets acquired and liabilities assumed, in allocation of purchase consideration, in deciding the amortisation policy and on tax treatment of Goodwill and intangible assets acquired. Judgement is also required to be exercised as regards the manner in which carrying amount of goodwill is likely to be recovered, for deferred tax accounting purposes. Appropriate independent professional advice is also obtained, as necessary. Goodwill has a useful life which is same as that of underlying cash generating unit. Intangible assets are assigned either an indefinite or a finite useful life, depending on the nature and expected consumption. Goodwill and indefinite lived intangible assets are as a minimum, subjected to annual tests of impairment in line with the accounting policy whereas all other intangibles assets are amortised. (Refer Note 6).

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

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

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

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

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

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

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

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, 2019	**63.34**	**5.18**	**315.64**	**1465.05**	**190.46**	**7.09**	**22.17**	**2068.93**
Acquisition through Business Combination	-	-	-	-	0.19	-	-	**0.19**
Additions	0.45	10.03	15.37	411.22	22.07	0.62	3.80	**463.56**
Disposal	(0.05)	-	(0.41)	(8.55)	(1.87)	(0.20)	(2.96)	**(14.04)**
Adjustments / Transfer	-	-	1.02	-	-	-	-	**1.02**
Translation exchange difference	0.16	-	9.65	72.75	5.92	0.50	0.11	**89.09**
As at March 31, 2020	**63.90**	**15.21**	**341.27**	**1940.47**	**216.77**	**8.01**	**23.12**	**2608.75**
Acquisition through Business Combination	-	-	-	7.85	0.21	0.77	-	**8.83**
Additions	-	10.58	19.61	100.19	9.36	1.15	0.97	**141.86**
Disposal	(0.09)	-	(0.09)	(39.07)	(4.29)	(0.23)	(2.56)	**(46.33)**
Translation exchange difference	0.22	-	(0.84)	23.09	7.43	-	0.12	**30.02**
As at March 31, 2021	**64.03**	**25.79**	**359.95**	**2032.53**	**229.48**	**9.70**	**21.65**	**2743.13**
Accumulated Depreciation								
As at April 1, 2019	**-**	**0.20**	**115.83**	**981.20**	**146.20**	**5.10**	**11.60**	**1260.13**
Depreciation for the year	-	0.46	12.44	81.65	12.87	0.75	1.74	**109.91**
Disposal	-	-	(0.25)	(8.11)	(1.59)	(0.20)	(1.39)	**(11.54)**
Adjustments / Transfer	-	-	0.37	-	-	-	-	**0.37**
Translation exchange difference	-	-	5.00	32.45	4.68	0.19	0.06	**42.38**
As at March 31, 2020	**-**	**0.66**	**133.39**	**1087.19**	**162.16**	**5.84**	**12.01**	**1401.25**
Depreciation for the year	-	0.76	13.54	87.18	11.95	0.99	1.74	**116.16**
Disposal	-	-	(0.09)	(30.31)	(3.95)	(0.21)	(1.12)	**(35.68)**
Translation exchange difference	-	-	(0.94)	33.22	6.46	(0.05)	0.04	**38.73**
As at March 31, 2021	**-**	**1.42**	**145.90**	**1177.28**	**176.62**	**6.57**	**12.67**	**1520.46**
Net Carrying Value								
As at March 31, 2020	**63.90**	**14.55**	**207.88**	**853.28**	**54.61**	**2.17**	**11.11**	**1207.50**
As at March 31, 2021	**64.03**	**24.37**	**214.05**	**855.25**	**52.86**	**3.13**	**8.98**	**1222.67**

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 43.47 Crores (Rs 46.33 Crores). Borrowing cost capitalised during the year – Nil (Rs 1.24 Crores).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

4. INVESTMENT PROPERTY

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

Rs in Crores

	2021	2020
Cost		
Opening Balance	**55.04**	**56.06**
Disposal	(17.97)	-
Transfer	-	(1.02)
Closing Balance	**37.07**	**55.04**
Accumulated Depreciation		
Opening Balance	**5.00**	**4.46**
Depreciation for the year	0.89	0.91
Deductions / Adjustments	(1.99)	(0.37)
Closing Balance	**3.90**	**5.00**
Net Carrying Value	**33.17**	**50.04**

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

Rs in Crores

	2021	2020
Rental Income	3.81	3.14
Direct operating expenses	(0.60)	(0.34)
Profit from investment property before depreciation	**3.21**	**2.80**
Depreciation for the year	(0.89)	(0.91)
Profit/(loss) from Investment Property	**2.32**	**1.89**

Fair value:

Fair valuation of the Land is Rs 96.14 Crores and Buildings is Rs 32.03 Crores based on valuation (sales comparable approach – level 2) by recognised independent valuers.

Leasing arrangements:

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

Rs in Crores

	2021	2020
Within one year	2.48	3.93
Later than one year but not later than five years	5.44	8.26

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

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, 2019	**-**	**-**	**-**	**-**	**-**	**-**
Recognition on transition to IndAS 116 - Lease	82.31	165.17	3.67	0.36	4.11	**255.62**
Acquisition through Business Combination	-	-	3.50	-	-	**3.50**
Additions	-	57.72	11.63	-	2.52	**71.87**
Disposal	-	(0.89)	-	-	-	**(0.89)**
Depreciation for the year	(2.04)	(39.51)	(3.39)	(0.15)	(2.59)	**(47.68)**
Translation exchange difference	6.23	4.54	-	0.03	0.24	**11.04**
As at March 31, 2020	**86.50**	**187.03**	**15.41**	**0.24**	**4.28**	**293.46**
Acquisition through Business Combination	-	2.70	-	-	-	**2.70**
Additions	-	134.65	10.46	0.09	0.85	**146.05**
Disposal	-	(5.57)	(0.17)	0.00	(0.34)	**(6.08)**
Depreciation for the year	(2.14)	(43.33)	(4.08)	(0.16)	(1.88)	**(51.59)**
Translation exchange difference	(2.88)	4.48	-	-	0.27	**1.87**
As at March 31, 2021	81.48	279.96	21.62	0.17	3.18	386.41

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

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, 2019	**4133.93**	**333.72**	**110.64**	**17.64**	**176.80**	**-**	**638.80**
Acquisition through Business Combination	**3578.51**	2273.45	-	-	0.46	270.46	**2544.37**
Additions	**-**	-	-	-	22.04	-	**22.04**
Disposal	**-**	-	-	-	(0.05)	-	**(0.05)**
Translation exchange difference	**199.89**	28.59	10.42	-	6.58	-	**45.59**
As at March 31, 2020	**7912.33**	**2635.76**	**121.06**	**17.64**	**205.83**	**270.46**	**3250.75**
Acquisition through Business Combination	**174.10**	145.70	-	-	0.01	-	**145.71**
Additions	**-**	16.00	-	-	33.29	-	**49.29**
Disposal	**(226.29)**	(11.75)	(117.54)	-	(0.88)	-	**(130.17)**
Translation exchange difference	**155.06**	(6.86)	(3.52)	-	4.90	-	**(5.48)**
As at March 31, 2021	8015.20	2778.85	-	17.64	243.15	270.46	3310.10
Accumulated Depreciation / Impairment							
As at April 1, 2019	**348.86**	**190.01**	**18.44**	**15.94**	**146.57**	**-**	**370.96**
Depreciation/Amortisation for the year	**-**	25.27	7.52	0.58	16.03	33.81	**83.21**
Disposal	**-**	-	-	-	0.05	-	**0.05**
Impairment	**222.94**	-	-	-	-	-	**-**
Translation exchange difference	**6.70**	15.96	2.29	-	7.07	-	**25.32**
As at March 31, 2020	**578.50**	**231.24**	**28.25**	**16.52**	**169.72**	**33.81**	**479.54**
Depreciation/Amortisation for the year	**-**	29.17	7.93	0.58	14.61	33.81	**86.10**
Disposal	**(179.19)**	(5.46)	(35.27)	-	(0.65)	-	**(41.38)**
Impairment	**-**	-	-	-	-	-	**-**
Translation exchange difference	**19.32**	(1.62)	(0.91)	-	4.06	-	**1.53**
As at March 31, 2021	418.63	253.33	-	17.10	187.74	67.62	525.79
Net Carrying Value							
As at March 31, 2020	**7333.83**	**2404.52**	**92.81**	**1.12**	**36.11**	**236.65**	**2771.21**
As at March 31, 2021	7596.57	2525.52	-	0.54	55.41	202.84	2784.31

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.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

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 Group has identified businesses within each country as its main CGU for the purpose of allocation and monitoring of goodwill.

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

Rs in Crores

2021	Opening	Addition	Disposal	Impairment	Foreign exchange	Closing
Branded Business						
India Business						
India Beverages	16.10	87.96	-	-	-	104.06
India Foods	3562.41	86.14	-	-	-	3648.55
	3578.51	**174.10**	**-**	**-**	**-**	**3752.61**
International Business						
UK & Europe	1629.00	-	-	-	127.44	1756.44
US	1437.17	-	(47.10)	-	(48.31)	1341.76
Canada	601.35	-	-	-	56.61	657.96
	3667.52	**-**	**(47.10)**	**-**	**135.74**	**3756.16**
Non Branded Business	**87.80**	**-**	**-**	**-**	**-**	**87.80**
Total Group	**7333.83**	**174.10**	**(47.10)**	**-**	**135.74**	**7596.57**

Rs in Crores

2020	Opening	Addition	Disposal	Impairment	Foreign exchange	Closing
Branded Business						
India Business						
India Beverages	-	16.10	-	-	-	16.10
India Foods	-	3562.41	-	-	-	3562.41
	-	**3578.51**	**-**	**-**	**-**	**3578.51**
International Business						
UK & Europe	1577.55	-	-	-	51.45	1629.00
US	1427.59	-	-	(119.08)	128.66	1437.17
Canada	583.74	-	-	-	17.61	601.35
Australia	108.39	-	-	(103.86)	(4.53)	-
	3697.27	**-**	**-**	**(222.94)**	**193.19**	**3667.52**
Non Branded Business	**87.80**	**-**	**-**	**-**	**-**	**87.80**
Total Group	**3785.07**	**3578.51**	**-**	**(222.94)**	**193.19**	**7333.83**

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, 2021

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, 2021 are given below:

	Pre-tax discount rate	Long-term growth rate
UK & Europe	7.72%	2.30%
US	7.66% - 13.00%	2.0% - 3.50%
Canada	7.75%	3.70%
India	13.86%	5.00% - 6.00%

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

Impairment 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.

7. INVESTMENTS

Rs in Crores

		2021	2020
Non-current Investments			
Quoted Equity Instruments	a	15.22	9.73
Unquoted Equity Instruments	b	140.27	139.52
Unquoted Preference Shares	c	119.97	111.86
Unquoted Debentures	d	-	-
Unquoted Government Securities	d	-	-
		275.46	**261.11**
Current Investments			
Mutual Funds - Unquoted (Carried at Fair value through Profit or Loss)		323.16	833.55
		323.16	**833.55**
Total Investments		**598.62**	**1094.66**

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

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

Details of investments are as follows:

a) Quoted Equity Instruments

Carried at fair value through Other Comprehensive Income

Rs in Crores

	Face Value	Nos			
		2021	2020	2021	2020
Tata Chemicals Ltd. $	Rs. 10	150	150	0.01	-
Tata Investment Corporation Ltd.	Rs. 10	146872	146872	15.21	9.73
SBI Home Finance Ltd. (Under liquidation) ^	Rs. 10	100000	100000	-	-
				15.22	9.73

$ Investment carrying value was below Rs 0.01 Crores in the previous year

^ Investment is fully impaired.

b) Unquoted Equity Instruments

Carried at fair value through other comprehensive income

Rs in Crores

	Face Value	Nos			
		2021	2020	2021	2020
Tata Sons Private Ltd. *	Rs. 1000	1755	1755	9.75	9.75
Tata Capital Ltd.	Rs. 10	613598	613598	3.07	3.07
Tata Services Ltd.	Rs. 1000	475	475	0.05	0.05
Tata Industries Ltd. *	Rs. 100	6519441	6519441	115.82	115.82
Taj Air Ltd.	Rs. 10	22200000	22200000	6.29	5.91
Southern Scribe Instruments Pvt Ltd #	Rs. 100	7280	7280	0.07	0.07
Armstrong Power Private Limited #	Rs. 100	-	600	-	0.01
Armstrong Power Systems Private Limited #	Rs. 100	-	900	-	0.01
K.T.V Oil Mills Private Limited #	Rs. 100	1450	1450	0.01	0.01
Mytrah Vayu (Manjira) Private Limited #	Rs. 10	162500	162500	0.16	0.16
ABC Tea Workers Welfare Services	Rs. 10	20000	20000	0.02	0.02
Assam Hospitals Ltd	Rs. 10	200000	200000	3.90	3.74
GNRC Ltd	Rs. 10	50000	50000	0.14	0.30
IFCI Venture Capital Funds Ltd	Rs. 10	250000	250000	0.99	0.60
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	-	-
Jalpaiguri Club Ltd. (Cost Re 1) $	Rs. 10	60	60	-	-
Ritspin Synthetics Ltd. ^	Rs. 10	100000	100000	-	-
Coorg Orange Growers Co-operative Society Ltd $	Rs. 100	4	4	-	-
Tata Coffee Co-operative Stores Ltd. $	Rs. 5	20	20	-	-
Coorg Cardamom Co-operative Marketing Society Ltd.	Rs. 100	1	1	-	-
TEASERVE $ (The Tamil Nadu Tea Manufacturers' Service Industrial Co-Op Society Ltd)	Rs. 5000	1	1	-	-
Woodlands Hospital & Medical Res. Centre Ltd. $	Rs. 10	12280	12280	-	-
				140.27	139.52

$ Investment carrying values are below Rs 0.01 Crores.

^ Investments are fully impaired.

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

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

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

c) Unquoted Preference Shares

Rs in Crores

	Face Value	Nos 2021	Nos 2020	2021	2020
Investment in Associates					
Amalgamated Plantations Pvt Ltd.	Rs. 10	67000000	67000000	53.22	45.11
TRIL Constructions Ltd.	Rs. 10	66751852	66751852	66.75	66.75
Other					
Thakurbari Club Ltd (Cost Re 1) $	Rs. 100	26	26	-	-
				119.97	**111.86**

$ Investment carrying values are below Rs 0.01 Crores.

Investment in preference shares of Amalgamated Plantations Pvt. Ltd, are redeemable with a special redemption premium, on fulfilment of certain conditions, within 13-15 years from the date of the issue and is designated as fair value through profit or loss. Preference shares of TRIL Constructions Ltd are non-cumulative and mandatorily fully convertible within 12 years from the issue date, the same is carried at cost.

d) Unquoted Debentures and Government Securities

Carried at fair value through other comprehensive income

Rs in Crores

	Face Value	Nos 2021	Nos 2020	2021	2020
Unquoted Debentures					
The Bengal Chamber of Commerce & Industry - 6 1/2% Debentures $	Rs. 1000	7	7	-	-
Shillong Club Ltd - 5% Debentures - (Cost Rs 2) $	Rs. 100	31	31	-	-
				-	-
Unquoted Government Securities:					
W. B. Estates Acquisition Compensation Bond $				-	-
				-	-
				-	-

$ Investment carrying values are below Rs 0.01 Crores

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

8. LOANS

Rs in Crores

	2021	2020
Non-current Loans		
Inter Corporate Loans	4.25	4.25
Inter Corporate Loans to related party	16.50	17.00
Employee Loans and Advances	1.12	1.25
	21.87	**22.50**
Current Loans		
Inter Corporate Loans	109.14	112.69
Inter Corporate Loans to related party	73.50	-
Employee Loans and Advances	2.48	3.85
	185.12	**116.54**
Total Loans	**206.99**	**139.04**

SUB-CLASSIFICATION OF LOANS

Rs in Crores

	2021	2020
Non-current Loans		
Loan Receivables considered good - Secured	20.75	21.25
Loan Receivables considered good - Unsecured	1.12	1.25
	21.87	**22.50**
Current Loans		
Loan Receivables considered good - Secured	106.05	106.12
Loan Receivables considered good - Unsecured	79.07	10.42
	185.12	**116.54**
Total Loans	**206.99**	**139.04**

Non-current loans

Inter Corporate loans amounting to Rs. 4.25 Crores (Rs. 4.25 Crores) is backed by mortgage over land, and Inter Corporate Loans to a related party amounting to Rs 16.50 Crores (Rs 17.00 Crores) is secured by way of mortgage of rights on immovable assets.

Current loans

Inter Corporate Loans – (a) amounting to Rs 102.55 Crores (Rs. 106.12 Crores) is secured by way of pledge of shares of the borrower and by a corporate guarantee, (b) amounting to Rs.3.50 Crores (Nil) is given to a related party and is secured by way of mortgage of rights on immovable assets.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

9. OTHER FINANCIAL ASSETS

Rs in Crores

	2021	2020
Non-current		
(unsecured and considered good unless otherwise stated)		
Security Deposit	27.75	24.68
Other Receivables	40.01	-
Lease Receivables	7.16	7.49
	74.92	**32.17**
Current		
(unsecured and considered good unless otherwise stated)		
Interest Accrued	52.48	46.68
Export Incentive Receivable	14.97	20.37
Receivable pursuant to business transfer from Tata Chemicals Ltd.	-	40.06
Deposits	5.40	9.24
Lease Receivables	1.04	1.08
Derivative Financial Asset / Margin on Contracts		
Currency Hedges	5.28	16.55
Commodity Hedges	19.20	31.62
Others	17.98	7.64
	116.35	**173.24**
Total Other Financial Assets	**191.27**	**205.41**

Non-current security deposits includes doubtful deposits which are fully provided - Rs 0.33 Crores (Rs 0.29 Crores). Current deposits include doubtful balances which are fully provided - Rs 0.38 Crores (Rs 0.38 Crores). Others include receivable from related parties – Rs 2.37 Crores (Rs 2.37 Crores). Interest accrued includes due from related party – Rs 1.32 Crores (Nil).

10. OTHER ASSETS

Rs in Crores

	2021	2020
Non current Assets		
(unsecured and considered good unless otherwise stated)		
Property rights pending development	70.50	70.50
Capital Advance	6.28	11.54
Pension Surplus	206.43	257.98
Prepaid Expenses	-	1.58
Others	28.18	7.96
	311.39	**349.56**
Current Assets		
(unsecured and considered good unless otherwise stated)		
Prepaid Expenses	62.86	58.40
Taxes Receivables	207.36	173.99
Other Trade Advance	67.05	69.27
	337.27	**301.66**
Total Other Assets	**648.66**	**651.22**

Property rights pending development represents constructed office space to be delivered to the Parent Company by TRIL Constructions Limited, consequent to a development agreement. Other trade advance includes doubtful advances which are fully provided – Rs 1.19 Crores (Rs 1.19 Crores). Other trade advance include advance paid to related party – Rs 16.29 Crores (Rs 14.14 Crores).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

11. INVENTORIES

Rs in Crores

	2021	2020
(At lower of cost and net realisable value)		
Raw Material	1278.50	879.61
Finished Goods	648.40	598.96
Stock in Trade	227.53	184.39
Work in Progress	48.29	12.28
Stores and Spare Parts	46.44	36.79
Total Inventories	**2249.16**	**1712.03**

Raw material includes in-transit inventory of Rs. 22.61 Crores (Rs. 15.21 Crores) and Stock in trade includes in-transit inventory of Rs. 3.64 Crores (Nil). During the year ended March 31, 2021 – Rs 29.70 Crores (Rs 26.15 Crores) was charged to the statement of profit and loss for slow moving and obsolete inventories.

12. TRADE RECEIVABLES

Rs in Crores

	2021	2020
Trade Receivables considered good - Secured	32.42	88.13
Trade Receivables considered good - Unsecured	728.90	834.28
Trade Receivables - Credit Impaired	37.95	14.92
	799.27	**937.33**
Less : Allowance for Credit Impairment	(37.95)	(14.92)
Total Trade Receivables	**761.32**	**922.41**

Secured receivables are backed by security deposits. Trade receivables considered good – Unsecured includes receivables amounting to Rs 3.98 Crores (Rs 14.77 Crores) due from a related party.

13. CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES

Rs in Crores

	2021	2020
Cash and Cash Equivalents		
Balances with Bank		
Current Account	536.63	368.35
Deposit Account	1505.24	753.20
Cash/Cheques in hand	0.12	0.12
	2041.99	**1121.67**
Other Bank Balances		
Deposit Account	1020.91	488.53
Unclaimed Dividend Account	11.98	11.26
	1032.89	**499.79**
	3074.88	**1621.46**

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, 2021

14. EQUITY SHARE CAPITAL AND OTHER EQUITY

a) Equity Share Capital

Rs in Crores

	2021	2020
AUTHORISED		
1250000000 (1250000000) Equity Shares of Re.1 each	125.00	125.00
ISSUED, SUBSCRIBED AND PAID-UP		
921551715 (921551715) Equity Shares of Re.1 each, fully paid-up	92.16	92.16
	92.16	**92.16**

i) Reconciliation of the number of shares as at March 31, 2021:

	2021	2020
Number of shares as at the beginning and end of the year	921551715	631129729
Add: Shares issued during the year pursuant to the Scheme of arrangement	-	290421986
Number of shares as at the end of the year	**921551715**	**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 Parent Company after distribution of all preferential amounts, in proportion to their shareholding.

iii) Equity shares allotted as fully paid-up (during 5 year preceding March 31, 2021) pursuant to contracts without payment being received in cash:

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

12731159 equity shares were issued during the financial year 2015-16, consequent to and as part of the amalgamation of the erstwhile Mount Everest Mineral Water Limited with the Parent Company.

iv) Details of shareholders holding more than 5% shares:

Name of Shareholder	No of shares / % of holding	
	2021	2020
Tata Sons Private Limited	270557128	270557128
	29.36%	29.36%

v) Dividend paid:

	2021	2020
Dividend paid (Rs in Crores)	248.82	157.78
Dividend per share (Rs.)	2.70	2.50

The Board of Directors in its meeting held on May 06, 2021 has recommended a final dividend payment of Rs 4.05 per share for the financial year ended March 31, 2021.

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b) Other Equity

Rs in Crores

	2021	2020
Capital Reserve	15.79	15.79
Securities Premium	6430.87	6430.87
Capital Redemption Reserve	0.10	0.10
Contingency Reserve	1.00	1.00
Amalgamation Reserves	8.33	8.33
Revaluation Reserve	21.86	21.86
General Reserve	1175.48	1170.73
Retained Earnings	6396.35	5901.95
Other Comprehensive Income		
- Effective portion of Cash Flow Hedge	5.72	6.71
- Fair value gains/(loss) on Equity Instruments	(2.29)	(8.17)
- Foreign Currency Translation Reserve	389.14	173.53
	14442.35	**13722.70**

Nature and purpose of reserves:

i) **Capital Reserve**
Capital Reserve was created consequent to the acquisition of certain plantation businesses.

ii) **Securities Premium**
Securities premium reserve had been created consequent to issue of shares at a premium. These reserves can be utilised in accordance with Section 52 of Companies Act 2013.

iii) **Contingency Reserve**
Contingency Reserve is in the nature of free reserves.

iv) **Amalgamation Reserves**
Amalgamation reserve was created pursuant to the scheme of amalgamation of Asian Coffee Ltd., Coffee Land Ltd., SIFCO Ltd and Tata Coffee Ltd.

v) **Revaluation Reserve**
Revaluation Reserve was created on acquisition of shares of an Indian subsidiary.

Notes
to the Consolidated Financial Statements for the year ended March 31, 2021

15. BORROWINGS

Rs in Crores

	2021	2020
(Secured unless otherwise stated)		
Non Current		
Loan From Banks		
Term Loan	773.58	868.58
	773.58	**868.58**
Less : Maturing within the next 12 months (Refer Note 16)	(486.04)	(73.91)
Total Non current Borrowings	**287.54**	**794.67**
Current		
Loan from Banks		
Bank Overdraft	268.81	232.33
Working Capital Facilities	73.00	154.45
Working Capital Facilities - Unsecured	91.25	1.03
Total Current Borrowings	**433.06**	**387.81**
Total Borrowings	**720.60**	**1182.48**

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 432.26 Crores (Rs 473.31 Crores) is repayable within March 28, 2022 and is secured over all assets of an overseas subsidiary, interest being charged at the Libor plus a margin. The agreement requires compliance with various financial covenants, including restrictions on capital expenditures, additional indebtedness, acquisitions and distributions to stockholders.

Debt amounting to Rs 341.32 Crores (Rs 395.27 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 networth.

Current Borrowings

Bank Overdraft

The remaining bank overdrafts totalling Rs 268.81 Crores (Rs 232.33 Crores) are part of a Group's cash-pooling arrangement with interest charged at a margin over I.C.E. benchmark administration settlement rate.

Working Capital Facilities

Working capital facilities totalling Rs 73.00 Crores (Rs 154.45 Crores) are repayable on demand and secured by way of hypothecation of inventories and book debts. Further, a part of the working capital facilities of an Indian subsidiary is also secured by hypothecation of coffee crop and deposit of title deeds of a coffee estate and the working capital of an overseas subsidiary is also secured by a guarantee given by its immediate parent.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

16. OTHER FINANCIAL LIABILITIES

Rs in Crores

	2021	2020
Non-Current		
Contingent consideration payable	76.20	-
Others	4.04	4.10
Derivative Financial Liabilities - Interest rate swap	-	9.83
	80.24	**13.93**
Current		
Current Maturities of Long Term Borrowings (Refer Note 15)	486.04	73.91
Security Deposits from Customers	5.07	57.00
Unpaid Dividends	11.98	11.26
Interest Accrued but not due	0.03	0.32
Derivative Financial Liabilities		
Currency Hedges	4.85	8.99
Commodity Hedges	3.86	0.42
Interest rate swap	20.26	22.35
Other Payables	204.14	208.30
	736.23	**382.55**
Total Financial Liabilities	**816.47**	**396.48**

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

17. PROVISIONS

Rs in Crores

	2021	2020
Non Current		
Employee Benefits	192.46	183.22
	192.46	**183.22**
Current		
Employee Benefits	45.32	52.38
Other Provisions	56.39	40.03
	101.71	**92.41**
Total Provisions	**294.17**	**275.63**

Rs in Crores

	2021	2020
Movement of Other Provisions – current:		
Business Restructuring and Reorganisation Costs		
Opening Balance	38.29	13.27
Provision made during the year	27.71	43.11
Amount paid / adjusted during the year	(11.53)	(18.54)
Translation exchange difference	0.18	0.45
Closing Balance	**54.65**	**38.29**
Provisions for Trade Obligation		
Opening Balance	1.74	1.74
Closing Balance	**1.74**	**1.74**
Total Closing Balance	**56.39**	**40.03**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

18. TRADE PAYABLES

Rs in Crores

	2021	2020
Trade Payables	1580.20	913.24
Trade Payables to related parties	45.27	30.75
Total Trade Payables	**1625.47**	**943.99**

19. OTHER CURRENT LIABILITIES

Rs in Crores

	2021	2020
Statutory Liabilities	25.94	20.65
Advance from Customers	40.94	13.23
Others	69.21	66.37
Total Other Current Liabilities	**136.09**	**100.25**

20. TAXATION

(a) Tax charge in the statement of profit and loss

Rs in Crores

	2021	2020
Current tax		
Current year	105.01	89.27
Adjustment relating to earlier years	(6.85)	(0.22)
	98.16	**89.05**
Deferred tax charge / (credit)	**219.11**	**185.14**
Income tax expenses for the year	**317.27**	**274.19**

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

Rs in Crores

	2021	2020
Profit before tax	**1311.06**	**809.38**
Tax at Indian tax rate of 25.17% (PY - 25.17%)	329.97	203.70
Effects of:		
Difference in tax rate	0.14	22.10
Impact of India tax rate change	-	0.81
Non-deductible tax expenses	10.29	9.56
Income exempt from income taxes	(25.14)	(0.24)
Non-creditable taxes	6.26	5.91
Tax reversals of previous years including deferred tax	(6.85)	(17.20)
Losses for which no deferred tax asset is recognised	16.71	44.62
Recognition of tax effect of previously unrecognised tax losses	(14.95)	-
Others	0.84	4.93
	317.27	**274.19**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

(c) Income Tax Asset/ (Liabilities)

Rs in Crores

	2021	2020
Non-current tax assets (Net)		
Income Tax	108.34	108.79
Dividend Distribution Tax Credit	33.96	37.27
	142.30	146.06
Current tax assets		
Income Tax	1.37	1.17
	1.37	1.17
Total Tax Assets	143.67	147.23
Non-current tax liabilities		
Income Tax	14.87	16.86
	14.87	16.86
Current tax liabilities (Net)		
Income Tax	24.09	33.62
	24.09	33.62
Total Tax Liabilities	38.96	50.48
Net Income tax assets / (liabilities)	104.71	96.75

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

Rs in Crores

	2021	2020
Deferred Tax Assets	38.05	29.56
Deferred Tax Liabilities	(570.16)	(316.03)
Net Deferred Tax Assets / (Liabilities)	(532.11)	(286.47)

(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	MAT Credit	Total
As at April 1, 2019	**(173.80)**	**32.95**	**44.72**	**8.72**	**(87.41)**
Acquistion through business combination	0.04	1.85	3.95	-	**5.84**
Statement of Profit and Loss (charge) /credit	(185.94)	(12.69)	22.21	-	**(176.42)**
MAT Credit reversal to Statement of Profit and Loss	-	-	-	(8.72)	**(8.72)**
(Charge)/credit relating to other comprehensive income	-	(18.33)	(7.16)	-	**(25.49)**
(Charge)/credit to Retained earnings	15.02	-	-	-	**15.02**
Transalation exchange difference	(11.61)	(2.07)	4.39	-	**(9.29)**
As at March 31, 2020	**(356.29)**	**1.71**	**68.11**	**-**	**(286.47)**
Recognised on business combination	(36.67)	-	-	-	**(36.67)**
Statement of Profit and Loss (charge) /credit	(224.43)	(0.08)	5.40	-	**(219.11)**
(Charge)/credit relating to other comprehensive income	-	8.25	(0.18)	-	**8.07**
Transalation exchange difference	4.53	(3.92)	1.46	-	**2.07**
As at March 31, 2021	(612.86)	5.96	74.79	-	(532.11)

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to the Consolidated Financial Statements for the year ended March 31, 2021

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 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 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, 2021, unrecognised deferred tax assets on account of tax losses amount to Rs 198.57 Crores (Rs 117.58 Crores) in various jurisdictions, which can be carried forward up to a specified period or indefinitely. The deferred tax asset has not been recognised on the basis that its recovery is not probable in the foreseeable future.

21. REVENUE FROM OPERATIONS

Rs in Crores

	2021	2020
Revenue from contract with customers		
Revenue from sale of goods	11530.17	9542.07
Revenue from sale of services	5.28	5.38
	11535.45	**9547.45**
Other Operating Revenues		
Royalty Income	19.43	26.36
Export Incentive	18.81	40.82
Miscellaneous Receipts	28.34	22.79
	66.58	**89.97**
	11602.03	**9637.42**

22. OTHER INCOME

Rs in Crores

	2021	2020
Interest Income		
Interest Income on Advances and Deposits carried at amortised cost	67.18	59.56
Interest on tax refund	5.52	2.25
Dividend income		
Non-current investments designated at fair value through OCI	2.02	3.47
Others		
Fair value movement in Financial instruments at fair value through profit or loss	8.11	2.57
Gains on Current Investments (net)	13.00	25.50
Other non operating income	25.55	18.24
	121.38	**111.59**

Dividend from equity investments sold during the year –Nil (Rs 1.08 Crores).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

23. COST OF MATERIALS CONSUMED

Rs in Crores

	2021	2020
Raw Materials Consumed	4253.39	3050.86
Packing Materials Consumed	684.06	555.80
	4937.45	**3606.66**

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

Rs in Crores

	2021	2020
Stock as at April 1		
Finished Goods	598.96	547.93
Stock-in-Trade	184.39	129.86
Work-in-Progress	12.28	9.80
	795.63	**687.59**
Stock as at March 31		
Finished Goods	648.40	598.96
Stock-in-Trade	227.53	184.39
Work-in-Progress	48.29	12.28
	924.22	**795.63**
	(128.59)	**(108.04)**
Less: Adjustment due to sale of business and acquisition on Business Combination	20.95	(115.82)
	(149.54)	**7.78**

25. EMPLOYEE BENEFITS EXPENSE

Rs in Crores

	2021	2020
Salaries, Wages and Bonus	880.55	795.89
Contribution to Provident Fund and other Funds	59.08	58.41
Workmen and Staff Welfare Expenses	30.60	30.50
	970.23	**884.80**

26. FINANCE COSTS

Rs in Crores

	2021	2020
Interest Expense on financial liabilities valued at amortised cost	41.85	51.14
Interest expense on lease liabilities	22.74	18.67
Net Interest on defined benefit plans	3.57	7.55
Other Borrowing Cost	0.53	0.50
	68.69	**77.86**

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to the Consolidated Financial Statements for the year ended March 31, 2021

27. OTHER EXPENSES

Rs in Crores

	2021	2020
Manufacturing and Contract Packing Expenses	121.48	111.07
Consumption of Stores and Spare Parts	50.49	55.84
Power and Fuel	97.36	103.84
Repairs and Maintenance	85.72	71.56
Rent	58.53	48.07
Freight	457.26	396.56
Legal and Professional Expenses	179.40	156.81
Miscellaneous Expenses	409.22	429.32
	1459.46	**1373.07**

Miscellaneous expenses include exchange gain of Rs 1.98 Crores (Rs 10.16 Crores) against which offsets are available elsewhere in the statement of profit and loss.

28. EXCEPTIONAL ITEMS

Rs in Crores

	2021	2020
Income		
Gain on conversion of Joint Venture into a Subsidiary	84.30	-
Gain on disposal of Czech business	-	10.38
	84.30	**10.38**
Expenditure		
Re-organisation/Business Restructure costs	(64.25)	(10.42)
Loss on disposal of Subsidiary / Joint Venture (Refer Note 41)	(46.45)	-
Loss on disposal of a Business (Refer Note 41)	(4.25)	-
Expenses in connection with the acquisition of businesses	-	(51.81)
Impairment of Goodwill	-	(222.94)
	(114.95)	**(285.17)**
	(30.65)	**(274.79)**

29. EARNING PER SHARE

	2021	2020
Group Net Profit attributable to owners of parent (Rs in Crores)	856.69	459.76
Numbers of Equity Shares Outstanding	921551715	921551715
Earnings Per Share (Rs.)		
Basic	9.30	4.99
Diluted	9.30	4.99

30. RESEARCH & DEVELOPMENT EXPENDITURE RECOGNISED DURING THE YEAR

Rs in Crores

	2021	2020
i. Capital	0.50	0.14
ii. Revenue	18.03	21.94
	18.53	**22.08**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

31. CAPITAL COMMITMENT

a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2021 – Rs 41.91 Crores (Rs 33.55 Crores).

b) Commitment towards Share Capital contributions in Joint Ventures & Associates - Rs 294.00 Crores (Rs 94.50 Crores).

32. CONTINGENCIES

a) Statutory and Commercial Claims

Rs in Crores

	2021	2020
i. Taxes, Statutory Duties/ Levies etc.	26.44	30.98
ii. Commercial and other Claims	4.11	3.07
	30.55	**34.05**

b) Past service liabilities and certain labour disputes for which amounts are not ascertainable. Labour disputes under adjudication for an Indian subsidiary Rs 0.94 Crores (Rs 0.94 Crores).

c) The Parent company has extended letters of comfort amounting to Rs 150 Crores to the lenders of its Associate Company engaged in plantation business, who have provided working capital facilities.

33. LITIGATIONS

i) Commercial liability claims not established – amounts not ascertainable

ii) Parent Company's overseas subsidiary in US along with several other coffee companies that roast, package, market and/or sell coffee in the State of California are defendants in public interest litigation filed by an organisation named Council of Education and Research on Toxics (CERT). The litigation contends that since coffee contains the chemical acrylamide, warning have to be included for coffee sold in that state pursuant to California state law. Acrylamide is not added to coffee but forms in trace amounts as part of a chemical reaction that occurs in coffee beans when they are roasted. The subsidiary is part of a Joint Defense Group (JDG) that is arguing the case on behalf of several leading coffee companies as defendants. During 2018 the California Office of Environmental Health Hazard Assessment (OEHHA) proposed a new regulation clarifying that cancer warnings are not required for coffee under Proposition 65 list and subsequently in June 2019, the proposed regulation was adopted by the Office of Administrative law which became law on October 1, 2019. The JDG filed a motion for summary judgment in January, 2020 which was granted in August, 2020. As a result, the litigation was dismissed and final judgment was entered on October 6, 2020. Plaintiff's counsel has filed notice of appeal. At this stage of the proceedings, the outcome and potential liability, if any, to the subsidiary on account of their sales in the State of California is not determinable at present till the receipt of judgment, if any, which is appealable in higher courts.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

34. LEASES

Group's leasing arrangements are for premises (residential, office, factory, godown and Stores), equipment and vehicles, these ranges between 5 months to 60 years and are usually renewable on mutually agreed terms.

Lease liabilities as at March 31, 2021:

Rs in Crores

	2021	2020
Current Lease Liabilities	37.81	37.97
Non-Current Lease Liabilities	389.10	291.96
Total Lease Liabilities	**426.91**	**329.93**

Contractual maturities of lease liabilities on an undiscounted basis:

Rs in Crores

	2021	2020
Less than one year	66.86	59.88
One to two years	60.05	53.58
Two to five years	172.02	116.85
More than five years	399.34	279.06
Total	**698.27**	**509.37**

Expenses recognised on account of short-term and low value leases are disclosed under Rent in Other Expense (Refer Note 27).

Extension and termination options

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

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

Rs in Crores

	2021	2020
Balance at beginning of the year	8.57	-
Balance on transition	-	7.35
New additions to net investment during the year	-	1.29
Interest Income accrued during the year	0.31	0.23
Lease Receipts	(0.68)	(0.30)
Balance at the end of the year	**8.20**	**8.57**

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

Rs in Crores

	2021	2020
Less than one year	1.28	1.21
One to two years	1.17	1.22
Two to three years	0.80	1.10
Three to four years	0.80	0.74
Four to five years	0.80	0.74
More than five years	4.37	4.80
Total	**9.22**	**9.81**

Finance income on the net investment in the lease recognised in the financial statement is Rs 0.31 Crores (Rs 0.23 Crores).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

35. INTEREST IN OTHER ENTITIES

a) Subsidiaries

The Group's subsidiaries as at March 31, 2021 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 (%)	
				2021	2020	2021	2020
1	Tata Consumer Products UK Group Ltd. (Formerly Tata Global Beverages Group Ltd.)	UK	Holding company	89.10	89.10	10.90	10.90
	Subsidiaries of Tata Consumer Products UK Group Ltd.						
2	Tata Global Beverages Holdings Ltd.	UK	Dormant	89.10	89.10	10.90	10.90
3	Tata Global Beverages Services Ltd.	UK	Dormant	89.10	89.10	10.90	10.90
4	Tata Consumer Products GB Ltd. (Formerly Tata Global Beverages GB Ltd.)	UK	Manufacturing, marketing and distribution of tea	89.10	89.10	10.90	10.90
5	Tata Consumer Products Overseas Holdings Ltd. (Formerly Tata Global Beverages Overseas Holdings Ltd.)	UK	Holding company	89.10	89.10	10.90	10.90
6	Tata Global Beverages Overseas Ltd.	UK	Dormant	89.10	89.10	10.90	10.90
7	Lyons Tetley Ltd.	UK	Dormant	89.10	89.10	10.90	10.90
8	Drassington Ltd.	UK	Dormant	89.10	89.10	10.90	10.90
9	Teapigs Ltd.	UK	Marketing and distribution of tea	89.10	89.10	10.90	10.90
10	Teapigs US LLC	USA	Marketing and distribution of tea	89.10	89.10	10.90	10.90
11	Stansand Ltd.	UK	Dormant	89.10	89.10	10.90	10.90
12	Stansand (Brokers) Ltd.	UK	Dormant	89.10	89.10	10.90	10.90
13	Stansand (Africa) Ltd.	Kenya	Purchase and sale of tea	89.10	89.10	10.90	10.90
14	Stansand (Central Africa) Ltd.	Malawi	Purchase and sale of tea	89.10	89.10	10.90	10.90
15	Tata Consumer Products Polska sp.zo.o (Formerly Tata Global Beverages Polska sp.zo.o)	Poland	Marketing and distribution of tea	89.10	89.10	10.90	10.90
16	Tata Consumer Products US Holdings Inc. (Formerly Tata Global Beverages US Holdings Inc.)	USA	Holding company	89.10	89.10	10.90	10.90
17	Tetley USA Inc.	USA	Marketing and distribution of tea	89.10	89.10	10.90	10.90
18	Empirical Group LLC (upto 31st March'2021)	USA	Marketing and distribution of tea	-	49.90	-	50.10
19	Tata Waters LLC	USA	Marketing and distribution of water	89.10	89.10	10.90	10.90
20	Good Earth Corporation.	USA	Holding company	89.10	89.10	10.90	10.90
21	Good Earth Teas Inc.	USA	Marketing and distribution of tea	89.10	89.10	10.90	10.90
22	Tata Consumer Products Canada Inc. (Formerly Tata Global Beverages Canada Inc.)	Canada	Marketing and distribution of tea	89.10	89.10	10.90	10.90

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

Sl No.	Name of entity	Country of incorporation	Principal Activities	Effective ownership (%)		Interest held by non-controlling interests (%)	
				2021	2020	2021	2020
23	Tata Consumer Products Australia Pty Ltd. (Formerly Tata Global Beverages Australia Pty Ltd.)	Australia	Marketing and distribution of tea	89.10	89.10	10.90	10.90
24	Earth Rules Pty Ltd.	Australia	Marketing and distribution of coffee	89.10	89.10	10.90	10.90
25	Tata Global Beverages Investments Ltd.	UK	Dormant	89.10	89.10	10.90	10.90
26	Campestres Holdings Ltd.	Cyprus	Holding company	89.10	89.10	10.90	10.90
27	Kahutara Holdings Ltd.	Cyprus	Holding company	89.10	57.92	10.90	42.08
28	Suntyco Holding Ltd.	Cyprus	Holding company	89.10	57.92	10.90	42.08
29	Onomento Co Ltd.	Cyprus	Holding and assignment of Trademark	89.10	57.92	10.90	42.08
30	Coffee Trade LLC (Liquidated on 9th April, 2020)	Russia	Distribution of coffee and Tea	-	57.92	-	42.08
31	Tata Consumer Products Capital Ltd. (Formerly Tata Global Beverages 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. (w.e.f 18th May'2020)	India	Marketing and distribution of Water	100.00	-	-	-
39	Tata Consumer Soulfull Private Ltd. (Formerly Kottaram Agro Foods Private Ltd.) (w.e.f 17th February'2021)	India	Manufacturing, marketing and distribution of Food Products	100.00	-	-	-
40	Tata Tea Holdings Private Ltd.	India	Investment company	100.00	100.00	-	-

During the financial year, Tata Consumer Products UK Group Limited (TCPG), the Group's UK based subsidiary and intermediate holding company, restructured Campestres Holdings Limited, Kahutara Holding Limited and Suntyco Holdings Limited, all 100% subsidiaries by transferring the net assets to TCPG. The purpose of the restructure is to simplify the legal structure and reduce the number of step down subsidiaries and due to the absence of any future transaction these entities are expected to be dormant for the foreseeable future.

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(b) Non-Controlling Interest (NCI)

The material non-controlling interests in the Group arise from the Group's 89.10% stake in the Tata Consumer Products UK Group Ltd. (TCP UK Group Ltd.) (Intermediate holding company in the UK) and 57.48% share in Tata Coffee Limited (which is the holding company of Consolidated Coffee Inc., USA and its subsidiaries and Tata Coffee Vietnam Company Ltd.).

Summarised financial information in respect of subsidiaries that has non-controlling interests which are material to the Group are disclosed below, presented before inter-company eliminations with the rest of the Group:

Summarised Balance Sheet

Rs in Crores

	TCP UK Group Ltd (CFS)		Tata Coffee Ltd (CFS)	
	2021	2020	2021	2020
Non-current assets	3944.33	3887.52	2459.18	2591.28
Current assets	1996.99	1721.90	1111.45	972.43
Total Assets	**5941.32**	**5609.42**	**3570.63**	**3563.71**
Non-current liabilities	110.12	111.99	776.00	1306.25
Current liabilities	754.86	666.94	974.61	573.25
Total Liabilities	**864.98**	**778.93**	**1750.61**	**1879.50**
Net Assets	**5076.34**	**4830.49**	**1820.02**	**1684.21**
Accumulated Non Controlling Interest	510.52	559.05	582.37	533.42

Summarised Statement of Profit & Loss

Rs in Crores

	TCP UK Group Ltd (CFS)		Tata Coffee Ltd (CFS)	
	2021	2020	2021	2020
Revenue	**2202.99**	**2124.33**	**2254.95**	**1956.87**
Profit/(Loss) for the year	131.51	(86.17)*	211.55	141.01
Other Comprehensive Income	223.69	231.86	(8.96)	88.69
Total Comprehensive Income	**355.20**	**145.69**	**202.59**	**229.70**
Profit allocated to NCI	16.99	(34.64)	56.78	34.99
Total Comprehensive Income allocated to NCI	37.22	(1.92)	58.48	49.86
Dividend paid to NCI (including dividend tax)	6.44	16.98	11.91	14.36

* includes non-cash impairment charge of Rs 222.94 Crores

Summarised Statement of Cash Flows:

Rs in Crores

	TCP UK Group Ltd (CFS)		Tata Coffee Ltd (CFS)	
	2021	2020	2021	2020
Cash Flows from operating activities	236.18	61.14	302.02	260.90
Cash Flows from investing activities	53.88	189.56	(25.14)	(38.08)
Cash Flows from financing activities	(24.68)	(38.52)	(140.92)	(174.22)
Net increase/ (Decrease) in cash and cash equivalents	**265.38**	**212.18**	**135.96**	**48.60**

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to the Consolidated Financial Statements for the year ended March 31, 2021

(c) Interest in Joint Ventures and Associates

Rs in Crores

	2021	2020
Investment in Joint Ventures	185.53	200.36
Investment in Associates	21.74	27.83
	207.27	**228.19**

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 2021	% holding 2020
1	NourishCo Beverages Ltd. (upto 17th May, 2020)	India	Marketing and distribution of Water	-	50.00
2	Tata Starbucks Private Ltd.	India	Operating Starbucks Cafes in India	50.00	50.00
3	Southern Tea LLC (upto 31st March, 2021)	USA	Manufacturing and distribution of tea	-	50.00
4	Tetley ACI (Bangladesh) Ltd.	Bangladesh	Manufacturing, marketing and distribution of tea	50.00	50.00
5	Tetley Clover (Pvt) Ltd. (under liquidation)	Pakistan	Manufacturing, marketing and distribution of tea	50.00	50.00
6	Joekels Tea Packers (Proprietary) Ltd.	South Africa	Manufacturing, marketing and distribution of tea	51.70	51.70

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

	2021	2020
April 1	200.36	222.22
Transitional adjustment on IndAS 116 - Lease	-	(29.03)
Addition	112.32	55.94
Disposal	(72.41)	-
Share of Profits / (Loss)	(58.51)	(49.41)
Share of Other Comprehensive Income	0.03	(0.35)
Dividend Received	(2.84)	(1.52)
Translation exchange difference	6.58	2.51
March 31	**185.53**	**200.36**

Addition relates to additional equity investment in Tata Starbucks Private Ltd. – Rs 97.50 Crores (Rs 53.00 Crores), Tetley ACI (Bangladesh) Ltd – Nil (Rs. 2.94 Crores) and Southern Tea LLC – Rs.14.82 Crores (Nil).

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

	2021	2020
Profit / (loss) after tax	(117.84)	(99.20)
Other Comprehensive Income	0.06	(0.70)
Total Comprehensive Income	**(117.78)**	**(99.90)**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

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 2021	% holding 2020
1	Amalgamated Plantations Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	41.03	41.03
2	Kanan Devan Hills Plantation Co. Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	28.52	28.52
3	TRIL Constructions Ltd.	India	Development of real estate and infrastructure facilities	32.50	32.50

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

	2021	2020
April 1	27.83	65.38
Share of Profits / (Loss)	(4.82)	(25.67)
Share of Other Comprehensive Income	(1.03)	(11.49)
Dividend Received (incl dividend tax)	(0.24)	(0.39)
March 31	**21.74**	**27.83**

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

	2021	2020
Profit / (loss) after tax	(13.18)	(62.69)
Other Comprehensive Income	(1.39)	(30.22)
Total Comprehensive Income	**(14.57)**	**(92.91)**

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

36. FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

Rs. in Crores

2021	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments								
Quoted Equity Investments		15.22		15.22	15.22			15.22
Unquoted Equity Investments *		140.27		140.27		8.41	131.86	140.27
Unquoted Preference Shares	53.22			53.22			53.22	53.22
Units of Mutual Funds	323.16			323.16	323.16			323.16
Loans								
Non-current			21.87	21.87				-
Current			185.12	185.12				-
Trade Receivables			761.32	761.32				-
Cash and Cash Equivalent			2041.99	2041.99				-
Other Bank balances			1032.89	1032.89				-
Other Financial Assets								
Non-current	39.93		34.99	74.92		39.93		39.93
Current	2.96	19.88	93.51	116.35	17.56	5.28		22.84
	419.27	**175.37**	**4171.69**	**4766.33**	**355.94**	**53.62**	**185.08**	**594.64**
Financial liabilities								
Borrowings								
Non-current			287.54	287.54				-
Current			433.06	433.06				-
Lease Liabilities								
Non-current			389.10	389.10				-
Current			37.81	37.81				-
Trade payables			1625.47	1625.47				-
Other Financial Liabilities								
Non-current	76.20	-	4.04	80.24		76.20		76.20
Current	3.86	25.11	707.26	736.23	3.86	25.11		28.97
	80.06	**25.11**	**3484.28**	**3589.45**	**3.86**	**101.31**	**-**	**105.17**

Rs. in Crores

2020	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments								
Quoted Equity Investments		9.73		9.73	9.73			9.73
Unquoted Equity Investments *		139.52		139.52		8.04	131.48	139.52
Unquoted Preference Shares	45.11			45.11			45.11	45.11
Units of Mutual Funds	833.55			833.55	833.55			833.55
Loans								
Non-current			22.50	22.50				-
Current			116.54	116.54				-
Trade Receivables			922.41	922.41				-
Cash and Cash Equivalent			1121.67	1121.67				-
Other Bank balances			499.79	499.79				-
Other Financial Assets								
Non-current			32.17	32.17				-
Current	3.08	32.71	137.45	173.24	19.24	16.55		35.79
	881.74	**181.96**	**2852.53**	**3916.23**	**862.52**	**24.59**	**176.59**	**1063.70**
Financial liabilities								
Borrowings								
Non-current	-	-	794.67	794.67				-
Current	-	-	387.81	387.81				-
Lease Liabilities								
Non-current	-	-	291.96	291.96				-
Current	-	-	37.97	37.97				-
Trade payables	-	-	943.99	943.99				-
Other Financial Liabilities								
Non-current	-	9.83	4.10	13.93		9.83		9.83
Current	0.42	31.34	350.79	382.55	0.42	31.34		31.76
	0.42	**41.17**	**2811.29**	**2852.88**	**0.42**	**41.17**	**-**	**41.59**

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

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

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 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 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

Covid 19 pandemic - The Group's performance was not adversely impacted by the Covid pandemic but recorded good top line growth in many markets, except for some businesses, in particular, those in out of home consumption sectors. Commodity costs were adversely impacted in India. There can be future business uncertainties depending on developments in relation to the pandemic, particularly those arising from the second wave in India, which could include market closures, supply constraints and commodity cost volatility. Assessment of impact of Covid 19 pandemic on various elements of the risk management framework has been dealt with in the relevant sections below:

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.

Notes
to the Consolidated Financial Statements for the year ended March 31, 2021

(a) **Trade receivables**

The credit worthiness of trade debtors and the credit terms set are determined in individual regions and countries. There are no particular concentrations of credit risk as the Group's customer base is large. Trade receivables are considered a single class of financial assets, and based on the Group's experience of collecting receivables and associated defaults there is a low credit risk across regions and countries. In certain regions adequate insurance cover has been taken on trade receivables to further reduce the risk of default.

The fair values of trade and other receivables, deposits or bank guarantees are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when they become overdue. Management believes that the unimpaired amounts that are past due are collectible in full, based on historical payment pattern and analysis of customer credit risk.

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

Rs in Crores

	2021	2020
As at April 1	14.92	6.88
Acquired on Acquisition	1.51	11.43
Impairment loss recognised	21.49	0.38
Unused amounts reversed	-	(3.84)
Translation exchange difference	0.03	0.07
As at March 31	**37.95**	**14.92**

Impact of Covid 19 pandemic- Based on trends observed, collection pattern and insurance covers in place, the Group does not envisage any material risks. Future outlook will depend on how the pandemic evolves and the resultant impact on businesses.

(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.

Impact of Covid 19 pandemic- Based on the trends observed, type of instruments and strength of the counterparties, the Group does not envisage any material risks. Wherever the underlying assets/ instruments are subject to market risks, the same have been marked to market as at the Balance Sheet date. Future outlook will depend on how the pandemic evolves and the resultant impact on businesses.

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.

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to the Consolidated Financial Statements for the year ended March 31, 2021

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

2021	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 Years
Borrowings *	919.10	57.16	143.09	103.50
Trade payables	1625.47	-	-	-
Other financial liabilities	250.19	4.04	76.20	-
	2794.76	**61.20**	**219.29**	**103.50**

Rs in Crores

2020	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 Years
Borrowings *	461.72	507.06	165.75	142.82
Trade payables	943.99	-	-	-
Other financial liabilities	308.64	13.93	-	-
	1714.35	**520.99**	**165.75**	**142.82**

* includes current maturity of long term borrowings

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.

Impact of Covid 19 pandemic- Based on trends observed, profitability, cash generation, cash surpluses held by the Group and borrowing lines available, the Group does not envisage any material liquidity risks. Future outlook will depend on how the pandemic evolves and the resultant impact on businesses.

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.

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to the Consolidated Financial Statements for the year ended March 31, 2021

During the year ended March 31, 2021, 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.

Impact of Covid 19 pandemic- The pandemic can cause continuing volatility in the currency market and this risk would be mitigated through effective hedging policies. Further, the Group basis the trends believe that the probability of the non- occurrence of forecasted transactions is minimal. The Group also does not expect any material deterioration in both counterparty credit risk and own credit risk. Accordingly, the Group continues to believe that there is no impact on effectiveness of its hedges. Future outlook will depend on how the pandemic evolves and the resultant impact on the businesses.

The currency profile of financial assets and financial liabilities:

Rs in Crores

2021	USD	GBP	CAD	Other Currencies	Total
Trade Receivable and Other Financial Assets including loans/advances	237.70	0.23	-	18.98	256.91
Trade Payables and Other Financial Liabilities	45.34	-	0.01	17.59	62.94

Rs in Crores

2020	USD	GBP	CAD	Other Currencies	Total
Trade Receivable and Other Financial Assets including loans/advances	243.08	-	-	36.82	279.90
Trade Payables and Other Financial Liabilities	44.72	2.57	0.14	16.65	64.08

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

Type of Contract	Currency Pair	2021			2020		
		Notional Amount in FCY Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores*	Notional Amount in FCY Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores*
Forward Contracts Outstanding							
i) Exports	EUR / GBP	0.45	3.86	(0.00)	0.23	1.90	0.04
	CAD / GBP	16.00	92.92	0.70	16.00	84.93	2.37
	USD / INR	26.68	195.04	2.90	35.71	270.18	(10.71)
	AUD / INR	6.05	33.72	(0.20)	4.85	22.34	1.73
	EUR / INR	1.56	13.36	0.52	1.89	15.66	(0.38)
ii) Payables	USD / GBP	34.25	250.38	(4.85)	22.00	166.45	11.79
iii) Loans given	USD / GBP	20.00	146.21	0.34	20.00	151.32	0.84
iv) Loan to subsidiaries	USD / GBP	30.00	219.31	0.53	30.00	226.98	1.26
v) Receivables from Subsidiaries	AUD / GBP	1.20	6.69	(0.01)	14.00	64.50	0.36
vi) Bank Deposits	USD/VND	2.59	18.96	(0.05)	0.38	2.88	(0.01)

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

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

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:

Rs in Crores

Details	2021		2020	
	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	(0.62)	(20.23)	2.35	(16.94)
5% depreciation of the underlying foreign currencies	0.62	21.02	(2.35)	17.35

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to its debt obligations with floating interest rates. The Group uses interest rate swap contracts to manage interest rate exposure on its long term debt obligations. The Group has entered into an interest rate swap whereby the Group pays a fixed rate of interest and receives a floating rate of interest on approximately half of the balance of term debt. These derivatives have been designated as cash flow hedges. In addition, the interest rate risk, can also impacts the provision for retiral benefits.

Details of Interest rate swap which the Group has entered into for hedging its interest rate exposure on borrowing:

Details of Borrowings	Currency	2021			2020		
		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	56.61	413.87	(20.26)	61.89	468.23	(32.18)

* converted at the year end exchange rates
** to the extent of swap entered
Fair value represents impact of mark to market value as at year end.

The following table demonstrates the sensitivity on the Group's profit before tax, to a reasonably possible change in interest rates on the unhedged portion of loans and borrowings affected, with all other variables held constant:

Change	2021	2020
	Effect on Profit before tax	Effect on Profit before tax
25 basis points increase	(0.94)	(1.05)
25 basis points decrease	0.94	1.05

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.

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to the Consolidated Financial Statements for the year ended March 31, 2021

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	2021			2020		
		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	19.66	143.73	15.43	23.63	178.80	18.62
b) Coffee	Options (Net)	2.81	20.52	(1.45)	(3.04)	(23.03)	0.19

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

Impact of Covid 19 pandemic- Based on trends, the Group believes that depending on prevalence of lockdown conditions in regions from where raw materials are sourced, disruptions to the supply chain cannot be ruled out. This is an area which will be dynamically reviewed and managed by the Group. Future outlook will depend on how the pandemic evolves and the resultant impact on businesses.

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, 2021 was as follows:

Rs in Crores

	2021	2020
Total Borrowings	1206.64	1256.39
Less : Cash and cash equivalent including bank deposits	3062.90	1610.20
Less : Current Investments	323.16	833.55
Less : Inter-corporate Loans (excludes accrued interest)	203.39	133.94
Adjusted net (cash) / debt	**(2382.81)**	**(1321.30)**
Total Equity	**15627.04**	**14907.33**

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to the Consolidated Financial Statements for the year ended March 31, 2021

37. EMPLOYEE BENEFITS OBLIGATION

i) **Defined contribution plans**

The Group operates certain defined contribution schemes like provident fund and defined contribution superannuation schemes. Contributions are made by the Group, based on current salaries, to funds maintained by the Group and, for certain categories contributions are made to State Plans. For certain schemes, contributions are also made by the employees. Amount recognised in the statement of profit and loss on account of defined contribution schemes is Rs 45.50 Crores (Rs 41.82 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.

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

	2021	2020
Defined benefits - India		
Pension	1.62	2.09
Gratuity	3.89	14.44
Post employment medical benefits	67.86	65.08
Others	110.00	101.59
Defined benefits - Overseas		
Pension	(206.43)	(257.98)
Life Assurance benefits	3.89	4.12
Post employment medical benefits	6.63	6.31
Liabilities / (Assets) in the balance sheet	**(12.54)**	**(64.35)**

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

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Present Value of Funded defined benefit obligation at the year end	4.14	4.44	151.51	152.66	-	-	-	-	1554.06	1280.54
Fair value of plan assets at the end of the year	5.14	5.92	147.66	138.22	-	-	-	-	1760.49	1538.52
	(1.00)	**(1.48)**	**3.85**	**14.44**	**-**	**-**	**-**	**-**	**(206.43)**	**(257.98)**
Present Value of Unfunded defined benefit obligation at the year end	2.05	3.05	-	-	67.86	65.08	110.00	101.59	-	-
Asset ceiling	0.57	0.52	0.04	-	-	-	-	-	-	-
Amount recognised in Balance Sheet	**1.62**	**2.09**	**3.89**	**14.44**	**67.86**	**65.08**	**110.00**	**101.59**	**(206.43)**	**(257.98)**

Changes in the Defined Benefit Obligation:

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Opening Defined Benefit Obligation	7.49	7.51	152.66	131.31	65.08	50.89	101.59	85.07	1280.54	1323.36
Acquired on Business Combination	-	-	1.02	5.42	-	-	-	-	-	-
Current Service cost	-	-	10.14	7.70	1.94	1.58	6.12	2.59	-	-
Interest on Defined Benefit Obligation	0.40	0.54	9.51	9.38	4.20	3.87	6.48	6.37	31.53	30.68
Actuarial changes arising from change in experience	(0.25)	0.25	(6.95)	1.32	(2.64)	(0.50)	1.45	2.14	24.33	(6.34)
Actuarial changes arising from change in demographic assumption	-	0.01	-	0.64	-	-	-	-	42.82	2.72
Actuarial changes arising from changes in financial assumption	0.02	0.32	0.10	6.30	0.62	10.59	0.12	10.43	119.70	(43.50)
Benefits Paid	(1.47)	(1.14)	(15.46)	(10.12)	(1.34)	(1.35)	(5.76)	(5.01)	(51.01)	(67.68)
Liability assumed/(settled)	-	-	0.49	0.71	-	-	-	-	-	-
Translation exchange difference	-	-	-	-	-	-	-	-	106.15	41.30
Closing Defined Benefit Obligation	**6.19**	**7.49**	**151.51**	**152.66**	**67.86**	**65.08**	**110.00**	**101.59**	**1554.06**	**1280.54**

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to the Consolidated Financial Statements for the year ended March 31, 2021

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

Rs. in Crores

	India				Overseas	
	Pension		Gratuity		Pension	
	2021	2020	2021	2020	2021	2020
Opening fair value of Plan assets	5.92	5.75	138.22	119.83	1538.52	1450.99
Acquired on Business Combination	-	-	-	5.42	-	-
Employers contribution	-	-	16.32	13.23	74.20	44.97
Interest on Plan Assets	0.31	0.41	8.86	8.77	39.41	34.29
Administrative cost	-	-	-	-	(6.14)	(2.81)
Actual return on plan assets less interest on plan assets	0.07	0.53	(0.46)	0.38	41.85	29.00
Benefits Paid	(1.16)	(0.77)	(15.30)	(10.12)	(51.01)	(67.68)
Assets acquired on Acquisition / (settled on Divestiture)	-	-	0.02	0.71	-	-
Translation exchange difference	-	-	-	-	123.66	49.76
Closing Fair value of plan assets	**5.14**	**5.92**	**147.66**	**138.22**	**1760.49**	**1538.52**

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

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Current Service Cost	-	-	10.14	7.70	1.94	1.58	6.12	2.59	-	-
Past Service Cost	-	-	-	-	-	-	-	-	-	-
Interest cost on defined benefit obligation (net)	0.09	0.13	0.65	0.61	4.20	3.87	6.48	6.37	(7.88)	(3.61)
Total recognised in the statement of profit and loss	**0.09**	**0.13**	**10.79**	**8.31**	**6.14**	**5.45**	**12.60**	**8.96**	**(7.88)**	**(3.61)**

Amounts recognised in Other Comprehensive Income for the year:

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Actuarial changes arising from change in demographic assumption	-	0.01	-	0.64	-	-	-	-	42.82	2.72
Actuarial changes arising from changes in financial assumption	0.02	0.32	0.10	6.30	0.62	10.59	0.12	10.43	119.70	(43.50)
Actuarial changes arising from changes in experience assumption	(0.25)	0.25	(6.95)	1.32	(2.64)	(0.50)	1.45	2.14	24.33	(6.34)
Return on plan asset excluding interest Income	(0.07)	(0.53)	0.46	(0.38)	-	-	-	-	(41.85)	(29.00)
Adjustment to recognise the effect of asset ceiling	0.01	0.01	0.04	-	-	-	-	-	-	-
Total (gain) / loss recognised in Other Comprehensive Income	**(0.29)**	**0.06**	**(6.35)**	**7.88**	**(2.02)**	**10.09**	**1.57**	**12.57**	**145.00**	**(76.12)**

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to the Consolidated Financial Statements for the year ended March 31, 2021

Principal Actuarial assumptions used:

India	2021	2020
Discount rates	6.40%/6.45%/6.50%/6.85%	6.50%/6.75%
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	2021	2020
Discount rates	2.05%	2.40%
Inflation assumptions - RPI	3.30%	2.65%
Rate of increase in pensions in payment	3.55%	3.25%
Rate of increase in pensions in deferment	3.30%	3.00%
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, 2021 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	(0.11)	(6.14)	(4.83)	(4.90)	(112.88)
Impact of decrease in 50 basis point in discount rate on Defined Benefit Obligation	0.11	6.60	5.45	5.31	126.99
Impact of increase in 50 basis point in salary escalation rate on Defined Benefit Obligation	-	6.52	-	-	-
Impact of decrease in 50 basis point in salary escalation rate on Defined Benefit Obligation	-	(6.12)	-	-	-
Impact of increase in 100 basis point in health care costs on Defined Benefit Obligation	-	-	11.23	0.12	-
Impact of decrease in 100 basis point in health care costs on Defined Benefit Obligation	-	-	(9.01)	(0.11)	-
Impact of increase in 50 basis point in RPI inflation rate on Defined Benefit Obligation	-	-	-	-	55.43
Impact of decrease in 50 basis point in RPI Inflation Rate on Defined Benefit Obligation	-	-	-	-	(41.32)
Impact of increase in 100 basis point in pension rate on Defined Benefit Obligation	0.10	-	-	2.99	-
Impact of decrease in 100 basis point in pension rate on Defined Benefit Obligation	(0.10)	-	-	(2.89)	-
Impact of increase in 1 year in Life Expectancy on Defined Benefit Obligation	0.13	-	3.63	4.58	71.56
Impact of decrease in 1 year in Life Expectancy on Defined Benefit Obligation	(0.13)	-	(3.64)	(4.55)	(68.53)

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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	
	2021	2020	2021	2020	2021	2020
Govt of India Securities	0.10	0.11	-	-	-	-
Insurance managed Funds	4.90	5.13	147.31	137.88	-	-
Equities	-	-	-	-	208.62	263.59
Liability Driven Investments (LDI)	-	-	-	-	603.68	689.81
Multi asset credit	-	-	-	-	259.01	204.70
Diversified growth funds	-	-	-	-	148.15	100.01
Secured income	-	-	-	-	156.21	134.60
Corporate bonds	-	-	-	-	366.85	114.97
Cash & Insurance policies	-	-	-	-	17.97	30.84
Others	0.14	0.68	0.35	0.34	-	-
Total	**5.14**	**5.92**	**147.66**	**138.22**	**1760.49**	**1538.52**

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, 2021 and March 31, 2020, 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. The plan holds investments across a range of asset classes which are expected to outperform corporate bonds in the long term but have volatility and risks in the short term.

– **Changes in bond yields**

A decrease in corporate bond yields will increase plan liabilities. In the event of a reduction in the corporate bond yields there will be an increase in the value of the Scheme's interest rate swaps and derivatives held which reduce exposure to this risk by approximately 95%.

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to the Consolidated Financial Statements for the year ended March 31, 2021

– **Inflation risk**

The Group pension obligations are linked to inflation, and higher inflation will lead to higher liabilities. The hedging strategy in place means through the use of inflation swaps and derivatives the scheme assets hedge approximately 95% of this risk.

– **Life expectancy**

The Scheme's obligation is to provide benefits for the life of the members. An increase in life expectancy will result in an increase in the Scheme's liabilities.

Asset-liability matching strategies used by the overseas scheme

The Scheme's stated investment strategy includes holding a benchmark allocation of 41% to liability-driven investments which involves hedging the Scheme's exposure to changes in interest rates and inflation through the use of liability driven investments (LDI) which typically involves swaps and derivatives. The benchmark allocation also includes a 13% benchmark exposure to multi-asset credit, a 20% benchmark holding in corporate bonds and an 8% holding in secured finance. The remaining portfolio is invested across a diversified range of growth assets which include equities and diversified growth funds.

Expected contributions over the next financial year:

The Group expect to contribute approximately Rs 11.15 Crores to the scheme in the year ending March 31, 2022.

Maturity Profile of defined benefit obligation (undiscounted basis):

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Within next 12 months	2.33	2.78	18.89	19.09	2.24	2.09	6.73	6.08	60.48	45.81
Between 2 and 5 years	3.23	3.83	49.72	49.32	9.83	9.26	29.16	27.05	224.75	200.97
Between 6 and 9 years	2.05	2.43	54.64	58.61	11.08	10.73	32.66	30.41	258.01	229.01
10 years and above	1.99	2.53	176.01	174.48	71.49	99.20	157.26	150.20	1650.82	1440.38

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, 2021 was Rs 3.89 Crores (Rs 4.12 Crores).

Post-employment medical benefits - Overseas

The Group operates post –employment medical benefits scheme to eligible former employees in the UK and the US. These plans are unfunded and the valuation method is similar to those used for defined benefit pension schemes with the addition of actuarial assumptions relating to the long-term increase in healthcare costs in the US of 4.75% p.a. and in the UK of 6.0% p.a. The liability recognised in the balance sheet as at March 31, 2021 was Rs 6.63 Crores (Rs 6.31 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.

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to the Consolidated Financial Statements for the year ended March 31, 2021

The Details of fund and plan assets position are given below:

Rs in Crores

	2021	2020
Plan Assets as at year end	258.54	222.09
Present value of Funded Obligation at period end	263.98	224.46
Amount recognised in the Balance Sheet	**(5.44)**	**(2.37)**

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

	2021	2020
Guaranteed Rate of Return	8.50%	8.50%
Discount Rate for remaining term to Maturity of Investment	6.50%/6.55%	6.45%/6.75%
Expected Rate of Return on Investment	8.35%/8.50%	8.70%/8.90%

38. SEGMENT INFORMATION

A. General Information

The Group has organised its businesses into Branded Segment and Non Branded Segment. Branded Segment is further sub-categorised as India Beverages, India Foods and International Beverages.

Description of each segment is as follows:

i) **Branded Business -**

India Beverages: Sale of branded tea, coffee, water and in various value added forms

India Foods: Sale of food products

International Beverages: Sale of branded tea, coffee, water and 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

	2021	2020
Branded Business		
India - Beverages	4600.73	3376.89
India - Foods	2441.69	2063.74
International - Beverages	3469.25	3226.04
Total Branded Business	**10511.67**	**8666.67**
Non Branded Business	**1122.17**	**974.94**
Total Segments Revenue	**11633.84**	**9641.61**
Others	13.45	26.63
Less: Inter-Segment Revenue	(45.26)	(30.82)
Revenue from External Customer	**11602.03**	**9637.42**

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to the Consolidated Financial Statements for the year ended March 31, 2021

b) Segment Results

Rs. in Crores

	2021	2020
Branded Business		
India - Beverages	496.31	465.14
India - Foods	387.66	266.45
International - Beverages	458.88	360.76
Total Branded Business	**1342.85**	**1092.35**
Non Branded Business	**90.89**	**55.65**
Total Segment Results	**1433.74**	**1148.00**
Add/Less:		
Other Income*	95.82	93.35
Finance Cost	(68.69)	(77.86)
Unallocable items	(119.16)	(79.32)
Exceptional Items	(30.65)	(274.79)
Profit before Income Tax	**1311.06**	**809.38**

*Excludes other income considered as part of segment results.

c) Segment Assets and Liabilities

Segment Assets

Rs. in Crores

	2021	2020
Branded		
India - Beverages	2326.34	1554.03
India - Foods	6442.40	6231.66
International - Beverages	5192.15	5352.99
Total Branded Business	**13960.89**	**13138.68**
Non Branded Business	**1577.24**	**1599.93**
Total Segment	**15538.13**	**14738.61**
Unallocable Corporate Assets	4717.74	3763.99
Total Assets	**20255.87**	**18502.60**

Segment Liabilities

Rs. in Crores

	2021	2020
Branded Business		
India - Beverages	1317.93	538.32
India - Foods	293.77	240.72
International - Beverages	748.17	759.99
Total Branded Business	**2359.87**	**1539.03**
Non Branded Business	**174.35**	**186.98**
Total Segment	**2534.22**	**1726.01**
Unallocable Corporate Liabilities	2094.61	1869.26
Total Liabilities	**4628.83**	**3595.27**

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to the Consolidated Financial Statements for the year ended March 31, 2021

d) Addition to non-current assets

Rs. in Crores

	2021	2020
Branded Business		
India - Beverages	347.01	183.21
India - Foods	250.43	6052.61
International - Beverages	43.68	43.84
Total Branded Business	**641.12**	**6279.66**
Non Branded Business	**37.02**	**97.14**
Total Segments	**678.14**	**6376.80**

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

e) Depreciation and Amortisation Expense

Rs. in Crores

	2021	2020
Branded Business		
India - Beverages	70.65	61.07
India - Foods	52.09	48.82
International - Beverages	79.01	82.39
Total Branded Business	**201.75**	**192.28**
Non Branded Business	**52.99**	**49.43**
Total Segments	**254.74**	**241.71**

C. Additional information by Geographies

Rs. in Crores

Revenue by Geographical Market	2021	2020
India	7782.63	6177.27
USA	1806.46	1672.22
United Kingdom	1206.31	1118.33
Rest of the World	806.63	669.60
Revenue from External Customer	**11602.03**	**9637.42**

Rs. in Crores

Non-Current Assets by Geographical Market	2021	2020
India	7560.65	7092.28
USA	1642.15	1873.78
United Kingdom	1870.62	1728.80
Rest of the World	1139.34	1138.74
Total Non Current Assets	**12212.76**	**11833.60**

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.

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to the Consolidated Financial Statements for the year ended March 31, 2021

39. RELATED PARTY TRANSACTION

a) Related parties other than Joint Ventures and Associate with whom Group has transactions are given below, Refer Note 35 for list of Joint Ventures and Associates.

Promoter
Tata Sons Private Limited

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 Co Limited
Tata AIA Life Insurance Co. Limited
Taj Air Limited
Infiniti Retail Limited
Tata International Limited
Tata International Singapore PTE Limited
Tata International Vietnam Company Limited
Tata Elxsi Limited
Ewart Investments Limited
Tata Uganda Limited
Tata Industries Limited
Tata Capital Financial Services Limited
Tata Communications Limited
Tata Teleservices Limited
Tata Teleservices Maharastra Ltd

Key Managerial Personnel
Mr Sunil D'Souza - Managing Director & CEO (w.e.f 4th April,2020)
Mr. L KrishnaKumar - 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

b) Particulars of transactions during the year ended March 31, 2021:

Rs. in Crores

	2021	2020
Sale of Goods and Services		
- Joint Ventures	21.99	47.28
- Associates	6.57	2.62
- Subsidiaries and Joint Ventures of Promoter	0.32	2.16
Other Operating Income		
- Joint Ventures	10.26	17.30
- Associates	3.25	3.03
Purchase of Goods & Services		
- Joint Ventures	204.01	240.37
- Associates	224.37	181.29
- Subsidiaries and Joint Ventures of Promoter	32.22	14.62
Rent Paid		
- Associates	2.72	2.38
Other Expenses (Net)		
- Joint Ventures	0.96	5.99
- Associates	3.01	4.21
- Promoter	27.49	19.46
- Subsidiaries and Joint Ventures of Promoter	79.02	64.56

Notes

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Rs. in Crores

	2021	2020
Directors Remuneration *	13.25	9.96
Dividend Paid		
- Promoter	73.05	46.51
- Subsidiaries and Joint Ventures of Promoter	13.18	7.85
Dividend/Interest Received		
- Joint Ventures	2.73	1.53
- Associates	2.04	1.98
- Promoter	1.76	1.76
- Subsidiaries and Joint Ventures of Promoter	2.90	3.14
Sale of Investments		
- Promoter	-	65.27
Reimbursement of Expenditure/(Income)		
- Joint Ventures	(0.26)	(1.93)
- Associates	(3.57)	(6.26)
- Promoter	0.14	0.10
Intercorporate Loan/ Deposits Given		
- Associates	3.00	-
- Subsidiaries and Joint Ventures of Promoter	70.00	-
Deposit redeemed		
- Subsidiaries and Joint Ventures of Promoter	-	16.23
- Associates	-	1.75
Investments Made		
- Joint Ventures	112.32	55.94
Contribution to Funds - Employee Benefit Plans	43.74	31.70

* 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.

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

Rs. in Crores

	2021	2020
Sale of Goods and Services		
- **Joint Ventures**		
NourishCo Beverages Ltd.	-	25.56
Tata Starbucks Pvt. Ltd.	14.62	14.38
Southern Tea LLC.	6.32	7.34
- **Associates**		
Amalgamated Plantations Pvt Limited.	4.34	-
Other Operating Income		
- **Joint Ventures**		
Tata Starbucks Pvt. Ltd.	10.26	16.70
- **Associates**		
Kanan Devan Hills Plantation Company Pvt. Ltd.	3.25	3.03
Purchase of Goods & Services		
- **Joint Ventures**		
Southern Tea LLC.	201.11	238.52

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Rs. in Crores

	2021	2020
- **Associates**		
Amalgamated Plantations Pvt Ltd.	128.65	103.59
Kanan Devan Hills Plantation Company Pvt. Ltd.	95.72	77.70
Rent Paid		
- **Associates**		
Amalgamated Plantations Pvt Ltd.	1.58	1.39
Kanan Devan Hills Plantation Company Pvt. Ltd.	1.14	0.74
Other Expenses (Net)		
- Promoter - Tata Sons Private Limited	27.49	19.46
- **Subsidiaries and Joint Ventures of Promoter**		
Tata Consultancy Services Limited	40.00	37.17
Tata AIG General Insurance Limited	20.57	16.51
Dividend Paid		
- **Promoter -** Tata Sons Private Limited	73.05	46.51
- **Subsidiaries and Joint Ventures of Promoter**		
Tata Investment Corporation Limited	11.95	6.74
Dividend/Interest Received		
- **Promoter -** Tata Sons Private Limited	1.76	1.76
- **Subsidiaries and Joint Ventures of Promoter**		
Tata Housing Development Company Limited	2.13	2.85
- **Associates**		
Kanan Devan Hills Plantation Company Pvt. Ltd.	2.04	1.98
Sale of Investments		
- **Promoter -** Tata Sons Private Limited	-	65.27
Reimbursement of Expenditure/(Income)		
- **Joint Ventures**		
NourishCo Beverages Ltd.	-	(1.76)
- **Associates**		
TRIL Constructions Limited	-	(2.37)
Amalgamated Plantations Pvt Ltd.	(1.72)	(2.08)
Kanan Devan Hills Plantations Company Pvt. Ltd.	(1.85)	(1.81)
Intercorporate Loan/ Deposits Given		
- **Subsidiaries and Joint Ventures of Promoter**		
Tata Housing Development Company Limited	30.00	-
Tata International Limited	40.00	-
Deposit redeemed		
- **Subsidiaries and Joint Ventures of Promoter**		
Tata Housing Development Company Limited	-	15.00
Investments Made		
- **Joint Ventures**		
Southern Tea LLC.	14.82	-
Tata Starbucks Pvt. Ltd.	97.50	53.00
Contribution to Funds - Employee Benefit Plans		
Tata Tea Limited Calcutta Provident Fund	17.32	15.81
Tata Coffee Limited Employees Gratuity Fund	4.36	4.20
Tata Tea Limited Management Staff Gratuity Fund	11.15	3.31
Tata Tea Limited Gratuity Fund	4.66	1.44

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d) Balance Outstanding as at March 31, 2021

Rs. in Crores

	2021	2020
Debit		
- Joint Ventures	5.70	13.69
- Associates	17.45	25.77
- Subsidiaries and Joint Ventures of Promoter	81.25	7.38
Credit		
- Joint Ventures	3.08	3.96
- Associates	1.14	2.78
- Promoter	26.90	13.16
- Subsidiaries and Joint Ventures of Promoter	14.08	5.06
- Employee Benefit plans	13.13	14.43

e) Pursuant to the Scheme of Arrangement in the year 2019-20, promoter and its subsidiaries were issued 82241927 and 17416518 equity shares respectively and 228 equity shares were issued to Key Managerial Personnel, as a part of the shares issued to the shareholders of Tata Chemicals Limited in the year 2019-20.

40. BUSINESS COMBINATION

(i) Acquisition of Kottaram Agro Foods Private Limited

The Parent Company acquired 100% equity of Kottaram Agro Foods Private Limited, pursuant to a share purchase agreement, on 17th February, 2020 at a cash consideration of Rs 155.80 Crores and contingent consideration of Rs 76.20 Crores. The acquisition will expand the Group's product portfolio by adding breakfast cereals and millet based snacks.

Subsequent to the acquisition, Kottaram Agro Foods Private Limited's name was changed to Tata Consumer Soulfull Private Limited with effect from 22nd March, 2021.

Assets acquired and liabilities assumed are as follows:

	Rs in Crores
Tangible Assets including ROU Assets	6.36
Intangible Assets	0.01
Brands	145.70
Inventories	2.35
Trade Receivables	4.84
Other Assets	1.28
Cash & Cash Equivalent	38.97
Total Assets	**199.51**
Trade Payable	7.27
Other Liabilities & Provision	8.51
Borrowings	1.20
Deferred Tax Liabilities	36.67
Total Liabilities	**53.65**
Total Identified Net Assets at Fair Value	**145.86**
Goodwill	86.14
Fair Value of Consideration	**232.00**

Goodwill on the above transaction reflects growth opportunities, synergy benefits and sourcing contracts, 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

Deferred contingent consideration has been computed by discounting projected cashflows and by assessment of probability of achieving various financial performance targets. As at the acquisition date, the fair value of the deferred contingent consideration is Rs 76.20 Crores, which is classified as financial liability.

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to the Consolidated Financial Statements for the year ended March 31, 2021

Acquired Receivables

Fair value of trade receivables acquired is Rs 4.84 Crores. These amounts are fully collectible.

Impact of above acquisition on the results

The acquired business contributed revenue of Rs 2.19 Crores and loss before tax of Rs 0.93 Crores, during the period post acquisition. Acquisition related costs amounting to Rs 0.75 Crores has been recognised in the Statement of Profit and Loss.

(ii) Acquisition of NourishCo Beverages Limited

The Group has, with effect from 18th May, 2020 acquired 100% control over NourishCo Beverages Limited (NCBL) by purchasing 50% stake from the joint venture partner at a consideration of Rs 13 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. 84.30 Crores in the Statement of Profit and Loss. On acquiring 100% control, based on fair valuation exercise carried out, goodwill of Rs 87.96 Crores has been recognised in the Consolidated Financial Statements.

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

	Rs in Crores
Property, Plant & Equipment	5.16
Inventory	10.80
Trade Receivables	3.73
Other Assets	13.08
Cash & Cash equivalent	5.06
Total Assets	**37.83**
Trade and other payables	19.79
Total Liabilities	**19.79**
Total Identified Net Assets at Fair Value	**18.04**
Goodwill	87.96
Fair Value of Consideration	**106.00**

Acquired Receivables

Fair value of trade receivables acquired is Rs 3.73 Crores. These amounts are fully collectible.

Impact of above acquisition on the results

The acquired business contributed revenue of Rs. 179.53 Crores and profit before tax of Rs. 7.37 Crores to the Group during the period post acquisition.

41. DISPOSAL OF BUSINESSES

(i) Disposal of Empirical Group LLC and Southern Tea LLC, USA

The Group divested its 56% holding in Empirical Group LLC, an overseas subsidiary and Southern Tea LLC, a 50% Joint Venture, through a membership Interest sale on March 31, 2021. Sale consideration, including contingent consideration, amounted to Rs. 91.55 Crores and net assets disposed were Rs. 158.62 Crores, including Goodwill and Intangibles. The loss of Rs. 46.45 Crores is reported under exceptional items (Refer Note 28) including the associated legal costs amounting to Rs 0.73 Crores and is net of reversal of credit in foreign currency translation reserve of Rs. 21.35 Crores.

(ii) Coffee business of Earth Rules Pty Ltd, Australia

The Group disposed its branded coffee business in Australia, through asset sale. Cash proceeds amounted to Rs. 6.74 Crores. The loss of Rs. 4.25 Crores on disposal is reported under exceptional items (Refer Note 28).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2021

42. 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(Formerly Tata Global Beverages Limited)	77.22%	11224.10	72.31%	619.51	2.67%	3.40	63.29%	622.91
	Subsidiaries								
	Indian								
1	Tata Coffee Ltd.	7.51%	1091.36	11.77%	100.80	9.65%	12.30	11.49%	113.10
2	NourishCo Beverages Ltd. (wef 18th May'2020)	0.26%	38.46	2.38%	20.40	-0.02%	(0.02)	2.07%	20.38
3	Tata Consumer Soulfull Private Ltd. (wef 17th February'2021) (Formerly Kottaram Agro Foods Private Ltd.)	0.25%	35.91	-0.11%	(0.93)	-	-	-0.09%	(0.93)
4	Tata Tea Holdings Private Ltd.	0.00%	(0.02)	0.00%	0.00	-	-	0.00%	0.00
	Foreign								
1	Consolidated Coffee Inc. (Consolidated Financials)	6.21%	902.22	18.22%	156.08	4.59%	5.85	16.45%	161.93
2	Tata Coffee Vietnam Company Ltd.	0.35%	51.56	-0.14%	(1.21)	5.00%	6.37	0.01	5.16
3	Tata Tea Extractions Inc.	2.76%	400.73	1.95%	16.69	-	-	1.70%	16.69
4	Tata Consumer Products Capital Ltd	6.06%	881.31	-1.01%	(8.66)	-	-	-0.88%	(8.66)
5	Tata Consumer Products UK Group Ltd.	42.20%	6134.16	2.88%	24.64	-	-	2.50%	24.64
6	Tata Global Beverages Holdings Ltd.	-	-	-	-	-	-	-	-
7	Tata Global Beverages Services Ltd.	-	-	-	-	-	-	-	-
8	Tata Consumer Products GB Ltd. (Formerly Tata Global Beverages GB Ltd.)	16.48%	2395.40	17.41%	149.17	-110.11%	(140.38)	0.89%	8.79
9	Tata Consumer Products Overseas Holdings Ltd.(Formerly Tata Global Beverages Overseas Holdings Ltd.)	-1.03%	(149.89)	-10.27%	(88.01)	-	-	-8.94%	(88.01)
10	Tata Global Beverages Overseas Ltd.	-0.13%	(18.41)	-	-	-	-	-	-

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to the Consolidated Financial Statements for the year ended March 31, 2021

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)
11	Lyons Tetley Ltd. (Dormant)	0.00%	0.20	-	-	-	-	-	-
12	Drassington Ltd. (Dormant)	-	-	-	-	-	-	-	-
13	Teapigs Ltd.	0.61%	89.19	1.18%	10.14	-	-	1.03%	10.14
14	Teapigs US LLC	-0.05%	(7.53)	0.14%	1.20	-	-	0.12%	1.20
15	Empirical Group LLC (upto 31st March'21)	-	-	1.76%	15.10	-	-	1.53%	15.10
16	Tata Waters LLC	-0.03%	(3.85)	-0.09%	(0.73)	-	-	(0.00)	(0.73)
17	Stansand Ltd. (Dormant)	0.00%	0.05	-	-	-	-	-	-
18	Stansand (Brokers) Ltd. (Dormant)	0.00%	0.32	-	-	-	-	-	-
19	Stansand (Africa) Ltd. (Dormant)	0.14%	20.50	0.44%	3.77	-	-	0.38%	3.77
20	Stansand (Central Africa) Ltd.	0.02%	3.46	0.05%	0.46	-	-	0.05%	0.46
21	Tata Consumer Products Polska sp.zo.o (FormerlyTata Global Beverages Polska sp.zo.o)	0.07%	10.85	0.18%	1.56	-	-	0.16%	1.56
22	Tata Consumer Products US Holdings Inc.(Formerly Tata Global Beverages US Holdings Inc.)	2.92%	424.76	-0.37%	(3.14)	-	-	-0.32%	(3.14)
23	Tetley USA Inc.	1.80%	261.95	5.72%	49.00	-	-	4.98%	49.00
24	Good Earth Corporation.	-0.07%	(9.63)	-0.04%	(0.31)	-	-	-0.03%	(0.31)
25	Good Earth Teas Inc.	-0.54%	(78.54)	-2.49%	(21.32)	-	-	-2.17%	(21.32)
26	Tata Consumer Products Canada Inc.(Formerly Tata Global Beverages Canada Inc.)	0.17%	24.15	0.90%	7.74	-	-	0.79%	7.74
27	Tata Consumer Products Australia Pty Ltd.(Formerly Tata Global Beverages Australia Pty Ltd.)	0.16%	23.43	0.20%	1.72	-	-	0.17%	1.72
28	Earth Rules Pty Ltd.	-0.05%	(7.44)	-0.88%	(7.55)	-	-	-0.77%	(7.55)
29	Tata Global Beverages Investments Ltd. (Dormant)	-	-	-	-	-	-	0.00%	0.00
30	Campestres Holdings Ltd.	-	-	0.15%	1.25	-	-	0.13%	1.25
31	Kahutara Holdings Ltd.	-	-	20.80%	178.23	-	-	18.11%	178.23
32	Suntyco Holding Ltd.	-	-	7.55%	64.67	-	-	6.57%	64.67
33	Onomento Co Ltd.	0.10%	14.67	0.00%	0.03	-	-	0.00%	0.03
	Non-controlling Interest in all Subsidiaries	-7.52%	(1092.53)	-8.61%	(73.77)	-17.20%	(21.93)	-9.72%	(95.70)

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to the Consolidated Financial Statements for the year ended March 31, 2021

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)
	Associates								
	Indian								
1	Amalgamated Plantations Pvt. Ltd.	0.11%	16.14	-0.69%	(5.95)	-1.64%	(2.09)	-0.82%	(8.04)
2	Kanan Devan Hills Plantations Co. Pvt. Ltd.	0.20%	29.30	0.85%	7.31	0.83%	1.06	0.86%	8.45
3	TRIL Constructions Ltd.	0.28%	40.21	-0.92%	(7.90)	-	-	-0.64%	(6.26)
	Joint Ventures								
	Indian								
1	Tata Starbucks Private Ltd.	1.02%	147.62	-7.80%	(66.79)	0.02%	0.03	-6.78%	(66.76)
2	NourishCo Beverages Ltd. (upto 17th May'2020)	-	-	-0.12%	(1.00)	-	-	-0.10%	(1.00)
	Foreign								
1	Joekels Tea Packers (Proprietary) Ltd.	0.17%	24.05	1.47%	12.60	-	-	1.28%	12.60
2	Southern Tea LLC (upto 31st March'21)	-	-	-0.40%	(3.44)	-	-	-0.35%	(3.44)
3	Tetley ACI (Bangladesh) Ltd.	-0.01%	(0.92)	0.02%	0.13	-	-	0.01%	0.13
4	Tetley Clover (Pvt) Ltd. (under liquidation)	0.00%	0.09	0.00%	0.00	-	-	0.00%	0.00
	Consolidation eliminations/ adjustments	-57.68%	(8382.88)	-34.41%	(294.80)	206.21%	262.90	-3.42%	(33.62)
	TOTAL	**100%**	**14534.51**	**100%**	**856.69**	**100%**	**127.49**	**100%**	**984.18**

During the financial year, Tata Consumer Products UK Group Limited (TCPG), the Group's UK based subsidiary and intermediate holding company, restructured Campestres Holdings Limited, Kahutara Holding Limited and Suntyco Holdings Limited, all 100% subsidiaries by transferring the net assets to TCPG. The purpose of the restructure is to simplify the legal structure and reduce the number of step down subsidiaries and due to the absence of any future transaction these entities are expected to be dormant for the foreseeable future. As the restructure was intra group, between TCPG and its 100% subsidiaries, there is no impact on these consolidated financial statements. However, in the table above, the effect of the restructure transactions as recorded in the standalone financial statements of the relevant entities are reflected, which subsequently have been eliminated through 'Consolidation eliminations/adjustments'.

43. 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

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 / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) 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. (Formerly Tata Global Beverages Group Ltd.)	03.09.1999	GBP	100.78	2369.13	3765.00	7047.64	913.51	5115.45	-	19.60	5.18	24.78	-	89.10	96.74
2	Tata Global Beverages Holdings Ltd. (Dormant)	10.03.2000	GBP	100.78	-	-	-	-	-	-	-	-	-	-	100.00	96.74
3	Tata Global Beverages Services Ltd. (Dormant)	10.03.2000	GBP	100.78	-	-	-	-	-	-	-	-	-	-	100.00	96.74
4	Tata Consumer Products GB Ltd. (Formerly Tata Global Beverages GB Ltd.)	10.03.2000	GBP	100.78	0.00	2395.44	2836.99	441.55	10.08	1352.73	189.55	(41.79)	147.76	-	100.00	96.74
5	Tata Consumer Products Overseas Holdings Ltd. (Formerly Tata Global Beverages Overseas Holdings Ltd.)	10.03.2000	GBP	100.78	-	(149.86)	641.55	791.41	132.39	0.00	(89.37)	5.82	(83.55)	-	100.00	96.74
6	Tata Global Beverages Overseas Ltd. (Dormant)	10.03.2000	GBP	100.78	0.00	(19.64)	43.32	62.96	-	-	-	-	-	-	100.00	96.74
7	Lyons Tetley Limted (Dormant)	10.03.2000	GBP	100.78	0.20	0.00	0.20	0.00	-	-	-	-	-	-	100.00	96.74
8	Drassington Ltd. (Dormant)	31.10.2003	GBP	100.78	19.71	(19.71)	-	-	-	-	-	-	-	-	100.00	96.74
9	Teapigs Ltd.	15.04.2005	GBP	100.78	10.08	79.09	114.97	25.80	-	127.29	12.83	(2.55)	10.28	-	100.00	96.74
10	Teapigs US LLC	27.08.2013	USD	73.10	0.00	(7.53)	8.44	15.97	-	23.04	1.21	-	1.21	-	100.00	74.31
11	Stansand Ltd. (Dormant)	10.03.2000	GBP	100.78	0.05	0.00	0.05	0.00	-	-	-	-	-	-	100.00	96.74
12	Stansand Brokers Ltd. (Dormant)	10.03.2000	GBP	100.78	0.32	0.00	0.32	0.00	-	-	-	-	-	-	100.00	96.74
13	Stansand (Africa) Ltd.	10.03.2000	KES	0.67	0.03	20.54	51.78	31.21	-	155.57	5.14	(1.47)	3.67	-	100.00	0.69
14	Stansand (Central Africa) Ltd.	10.03.2000	MWK	0.09	0.00	2.12	4.49	2.37	-	57.16	1.06	(0.34)	0.72	-	100.00	0.10
15	Tata Consumer Products Polska.sp.zo.o (Formerly Tata Global Beverages Polska.sp.zo.o)	10.03.2000	PLN	18.44	136.22	(124.70)	27.69	16.17	-	49.51	1.50	(0.64)	0.86	-	100.00	19.22
16	Tata Consumer Products US Holdings Inc. (Formerly Tata Global Beverages US Holdings Inc.)	10.03.2000	USD	73.10	489.82	(65.06)	666.44	241.68	659.93	-	(3.15)	-	(3.15)	-	100.00	74.31
17	Tetley USA Inc.	10.03.2000	USD	73.10	997.91	(735.97)	280.30	18.36	-	131.37	49.66	-	49.66	-	100.00	74.31
18	Tata Waters LLC	18.08.2016	USD	73.10	-	(3.86)	0.05	3.91	-	0.01	(0.75)	-	(0.75)	-	100.00	74.31
19	Good Earth Corporation	13.10.2005	USD	73.10	-	(9.63)	0.21	9.84	-	-	(0.31)	-	(0.31)	-	100.00	74.31

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 / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) 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
20	Good Earth Teas Inc.	13.10.2005	USD	73.10	132.25	(210.78)	37.62	116.15	-	57.72	(21.46)	-	(21.46)	-	100.00	74.31
21	Tata Consumer Products Canada Inc. (Formerly Tata Global Beverages Canada Inc.)	10.03.2000	CAD	58.08	8.71	14.54	160.42	137.17	-	373.83	11.03	(2.97)	8.06	-	100.00	55.81
22	Tata Consumer Products Australia Pty. Ltd. (Formerly Tata Global Beverages Australia Pty. Ltd.)	10.03.2000	AUD	55.74	65.77	(41.19)	61.11	36.53	-	114.17	2.37	(0.71)	1.66	-	100.00	52.84
23	Earth Rules Pty. Ltd.	30.04.2015	AUD	55.74	149.59	(157.03)	0.28	7.72	-	14.79	(7.48)	-	(7.48)	-	100.00	52.84
24	Tata Global Beverages Investment Ltd. (Dormant)	12.09.2006	GBP	100.78	-	-	-	-	-	-	-	-	-	-	100.00	96.74
25	Campestres Holdings Ltd. (Refer Note 7)	03.02.2009	USD	73.10	0.02	(0.02)	-	-	-	-	1.26	-	1.26	-	100.00	74.31
26	Kahutara Holdings Ltd. (Refer Note 7)	25.03.2009	USD	73.10	0.15	(0.15)	-	-	-	-	215.36	-	215.36	-	100.00	74.31
27	Suntyco Holdings Ltd. (Refer Note 7)	01.09.2009	USD	73.10	0.50	(0.50)	-	-	-	-	65.43	-	65.43	-	100.00	74.31
28	Onomento Co Ltd.	01.09.2009	USD	73.10	0.05	14.54	14.86	0.27	-	3.49	0.09	(0.18)	(0.09)	-	100.00	74.31
29	Tata Consumer Products Capital Ltd. (Formerly Tata Global Beverages Capital Ltd.)	12.09.2006	GBP	100.78	903.08	(21.77)	1648.21	766.90	1631.37	-	(12.48)	3.56	(8.92)	-	100.00	96.74
30	Tata Coffee Ltd.	21.11.1990	INR	1.00	18.68	1072.68	1349.12	257.76	260.76	736.64	118.59	(17.79)	100.80	28.02	57.48	1.00
31	Tata Coffee Vietnam Company Ltd.	28.03.2017	USD	73.10	91.38	(27.06)	522.24	457.92	-	227.78	0.50	-	0.50	-	100.00	74.31
32	Consolidated Coffee Inc.	10.07.2006	USD	73.10	437.90	1.13	440.24	1.21	437.90	-	89.17	-	89.17	-	100.00	74.31
33	Eight O'Clock Holdings Inc.	31.07.2006	USD	73.10	437.90	(0.52)	438.20	0.82	437.90	-	89.17	-	89.17	-	100.00	74.31
34	Eight O'Clock Coffee Company	31.07.2006	USD	73.10	437.90	291.87	1732.48	1002.71	-	1289.33	195.73	(49.85)	145.88	-	100.00	74.31
35	Tata Tea Extractions Inc.	29.05.1987	USD	73.10	102.35	298.34	424.31	23.62	318.55	122.62	22.05	(5.39)	16.66	-	100.00	74.31
36	NourishCo Beverages Ltd.	18.05.2020	INR	1.00	213.00	(174.54)	81.62	43.16	-	187.98	5.37	13.03	18.40	-	100.00	1.00
37	Tata Consumer Soulfull Private Ltd. (Formerly Kottaram Agro Foods Private Ltd.)	17.02.2021	INR	1.00	0.76	35.15	49.52	13.61	-	24.09	(10.72)	-	(10.72)	-	100.00	1.00
38	Tata Tea Holdings Private Ltd.	19.03.2009	INR	1.00	0.05	(0.07)	0.01	0.03	-	-	(0.00)	-	(0.00)	-	100.00	1.00

Note:

1 Statutory year ends for all subsidiaries are 31.03.2021.

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 NourishCo Beverages Ltd. converted to subsidiary w.e.f May 18, 2020.

6 During the year, Empirical Group LLC was disposed and Coffee Trade was liquidated, hence are not part of the above list.

7 During the financial year, Tata Consumer Products UK Group Limited (TCPG), the Group's UK based subsidiary and intermediate holding company, restructured Campestres Holdings Limited, Kahutara Holding Limited and Suntyco Holdings Limited, all 100% subsidiaries by transferring the net assets to TCPG. The purpose of the restructure is to simplify the legal structure and reduce the number of step down subsidiaries.

Statement pursuant to Section 129 (3) of the Companies Act,2013 related to Associate Companies and Joint Ventures

Part "B" : Associates and Joint Ventures

Sl No.	Name of Associates/ Joint Ventures	Amalgamated Plantation Pvt. Ltd.	Kanan Devan Hill Plantation Company Pvt. Ltd.	TRIL Constructions Ltd.	Tetley Clover (Pvt.) Ltd. ^	Tetley ACI (Bangladesh) Ltd.	Joekels Tea Packers (Proprietary) Ltd.	Southern Tea, LLC $	NourishCo Beverages Ltd. &	Tata Starbucks Private Ltd.
		Associate	Associate	Associate	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture
1	**Latest audited Balance Sheet Date**	31.03.2021	31.03.2021	31.03.2021	28.02.2019	30.06.2020	31.03.2021	31.12.2020	31.03.2021	31.03.2021
2	**Date of acquisition/ incorporation**	17.04.2009	06.07.2005	20.07.2013	25.07.2003	17.11.2002	04.10.2006	19.09.2002	14.03.2011	03.01.2012
3	**Shares of Associate /Joint Ventures held by the company on the year-end**									
	Equity Shares									
	i) Number	61024400	3976563	11748148	44000000	3250000	62			386300000
	ii) Amount of Investment in Associates/Joint Venture (Rs. in Crores)	71.10#	12.33	11.75	30.98	27.36	25.95			386.30
	iii) Extent of Holdings	41.03%	28.52%	32.50%	50%	50%	51.70%			50%
	Preference Shares									
	i) Number	67000000	-	66751852	3000000	-	-			-
	ii) Amount of Investment in Associates/Joint Venture (Rs. in Crores)	53.22 @	-	66.75	2.59	-	-			-
4	**Description of how there is significant influence**	Shareholding	Shareholding	Shareholding	Joint Venture Agreement	Joint Venture Agreement	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			Not Applicable
6	**Networth attributable to Shareholding as per latest audited Balance Sheet (Rs in Crores)**	16.14	29.30	40.21	0.08	(1.03)	24.05			147.62
7	**Profit / (Loss) for the year***									
	i) Considered in Consolidated** (Rs in Crores)	5.95	7.31	(7.90)	0.00	0.13	12.60	(3.44)	(1.00)	(66.80)
	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 31.03.2021, 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
$ Southern Tea LLC was disposed on March 31,2021
& NourishCo Beverages Ltd. converted to subsidiary w.e.f May 18,2020.
# measured as per Ind AS
@ redeemable preference shares, measured as per Ind AS

For and on behalf of the Board

N. Chandrasekaran
Chairman
(DIN 00121863)

S. Santhanakrishnan
Director
(DIN 00032049)

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

L. KrishnaKumar
Executive Director
(DIN 00423616)

John Jacob
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Mumbai, May 06, 2021