

**Tata Consumer Products US Holdings, Inc.**

**Financial Statements**

**Year ended 31 March 2022**

**Tata Consumer Products US Holdings, Inc.**

**Income statement & Other Comprehensive Income  
For the year ended 31 March 2022**

	Note	2022 USD'000	2021 USD'000
<b>Revenue</b>		-	-
<b>Operating Profit / (Loss) before exceptional items</b>		-	-
Exceptional Items	4	<b>(75,198)</b>	-
<b>Operating Profit/(Loss)</b>		<b>(75,198)</b>	-
Finance Costs		<b>(367)</b>	(424)
<b>Profit/ (Loss) before taxation</b>		<b>(75,565)</b>	(424)
Income tax expense		-	-
<b>Profit / (Loss) for the financial year</b>		<b>(75,565)</b>	(424)
Other comprehensive Income / (expense) for the financial year, net of tax		-	-
<b>Total comprehensive Income / (Expense) for the financial year</b>		<b>(75,565)</b>	(424)

*The notes are an integral part of these financial statements.*

/s/ SUSAN DONDERO

Susan Dondero

VP Finance

Date: May 27, 2022

## Tata Consumer Products US Holdings, Inc.

### Statement of financial position

As at 31 March 2022

	Note	2022 USD'000	2021 USD'000
<b>Non-Current Assets</b>			
Goodwill	5	636	636
Investment in Subsidiaries	6	26,210	90,272
<b>Total Non-Current Assets</b>		<b>26,846</b>	<b>90,908</b>
<b>Current assets</b>			
Trade and Other Receivables	7	255	255
<b>Total Current Assets</b>		<b>255</b>	<b>255</b>
<b>Current liabilities</b>			
Borrowings	8	14,959	14,592
Creditors - amounts falling due within one year	9	18,468	18,468
<b>Total Current Liabilities</b>		<b>33,427</b>	<b>33,060</b>
<b>Net current assets</b>		<b>(33,172)</b>	<b>(32,805)</b>
<b>Total assets less current liabilities</b>		<b>(6,326)</b>	<b>58,103</b>
<b>Non-Current Liabilities</b>			
Long Term Provisions	10	11,136	-
<b>Total Non-Current Liabilities</b>		<b>11,136</b>	<b>-</b>
<b>Net Assets</b>		<b>(17,462)</b>	<b>58,103</b>
<b>Stockholders' Equity</b>			
Common Stock, par value USD 0.01; 201 issued and outstanding		-	-
Additional paid-in capital		67,003	67,003
Retained earnings		(84,465)	(8,900)
<b>Total equity</b>		<b>(17,462)</b>	<b>58,103</b>

*The notes are an integral part of these financial statements.*

/s/ SUSAN DONDERO

Susan Dondero

VP Finance

Date: May 27, 2022

**Tata Consumer Products US Holdings, Inc.**

**Statement of changes in equity  
For the year ended 31 March 2022**

	<b>Additional Paid in Capital</b>	<b>Retained Earnings</b>	<b>USD'000 Total Stockholder's Equity</b>
<b>Balance as at April 1, 2020</b>	<b>67,003</b>	<b>(8,476)</b>	<b>58,527</b>
Loss for the financial year	-	(424)	(424)
Other Comprehensive Income	-	-	-
<b>Balance as at March 31, 2021</b>	<b>67,003</b>	<b>(8,900)</b>	<b>(58,103)</b>
Loss for the financial year	-	(75,565)	(75,565)
Other Comprehensive Income	-	-	-
<b>Balance as at March 31, 2022</b>	<b>67,003</b>	<b>(84,465)</b>	<b>(17,462)</b>

*The notes are an integral part of these financial statements.*

/s/ SUSAN DONDERO

Susan Dondero

VP Finance

Date: May 27, 2022

**Tata Consumer Products US Holdings, Inc.**

**Statement of Cash Flows  
For the year ended 31 March 2022**

	<b>2022</b>	2021
	<b>USD'000</b>	USD'000
<b>Net Income/(Loss) before Tax</b>	<b>(75,565)</b>	(424)
Adjustment to reconcile net income to cash provided by operating activities		
Finance Cost	<b>367</b>	424
Other exceptional expense/(income)	<b>75,198</b>	-
<b>Operating Cash Flow before working capital changes</b>	<b>-</b>	-
<b>Adjustment for:</b>		
<b>Changes in Working Capital</b>		
Increase / (Decrease) in Other operating liability and provisions	<b>(1)</b>	-
<b>Cash flow from changes in Working capital</b>	<b>(1)</b>	-
<b>Operating Cash Flow after working capital changes</b>	<b>(1)</b>	-
Tax Paid	-	-
<b>Net Cash from Operating activities</b>	<b>(1)</b>	-
<b>Cash flow from Investing Activities</b>	<b>-</b>	-
<b>Financing Activities</b>		
Loans from Group undertaking	<b>368</b>	424
Interest Paid	<b>(367)</b>	(424)
<b>Cash flow from Financing Activities</b>	<b>1</b>	-
<b>Net Change in Cash</b>	<b>-</b>	-
<b>Cash and Cash Equivalent</b>		
Opening Balance	-	-
<b>Closing Balance</b>	<b>-</b>	-

/s/ SUSAN DONDERO

Susan Dondero

VP Finance

Date: May 27, 2022

## **Tata Consumer Products US Holdings, Inc.**

### **Notes to the financial statements for the year ended 31 March 2022**

#### **1. General Information**

Tata Consumer Products US Holdings Inc is the holding company for the Tetley USA Inc., Good Earth Corporation Inc., Good Earth Teas Inc. and Tata Water LLC.

#### **2. Summary of significant accounting policies**

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

##### **a. Function and presentation currency**

The company's functional and presentation currency is the United States Dollars (USD).

##### **b. 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.

##### **c. 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.

##### **d. Intangible assets**

###### **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.

## **Tata Consumer Products US Holdings, Inc.**

### **Notes to the financial statements for the year ended 31 March 2022**

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.

#### **e. Investments**

Investments are shown at cost less provision for accumulated impairment losses. At each reporting date investments are reviewed to determine whether there is any indication of impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected investment is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the investment in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss.

#### **f. Current and deferred 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 Company operates.

##### **ii) Deferred Tax:**

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

## **Tata Consumer Products US Holdings, Inc.**

### **Notes to the financial statements for the year ended 31 March 2022**

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

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

#### **g. Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

#### **h. Creditors**

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method. Creditors are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

#### **i. Provisions**

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



## **Tata Consumer Products US Holdings, Inc.**

### **Notes to the financial statements for the year ended 31 March 2022**

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.

#### **j. Foreign currencies**

Transactions in foreign currencies are translated at the rate of exchange prevailing at the transaction date. Monetary assets and liabilities in foreign currencies are re-translated at the rate of exchange rate ruling at the balance sheet date. All exchange differences are recognised in the income statement.

#### **k. 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.

### **3. Critical accounting judgements and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Estimates**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### **Judgements**

There are no judgements that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Tata Consumer Products US Holdings, Inc.****Notes to the financial statements for the year ended 31 March 2022****4. Exceptional items**

	2022 USD'000	2021 USD'000
Impairment of investments	64,062	-
Provision for obligation relating to a subsidiary	11,136	-
<b>Total exceptional items</b>	<b>(75,198)</b>	<b>-</b>

**5. Goodwill**

	Goodwill USD'000
<b>Net carrying amount</b>	
At 31 March 2021	636
<b>At 31 March 2022</b>	<b>636</b>

**6. Investment in Subsidiaries**

	USD'000
At 1 April 2020	90,272
Impairments	-
<b>At 31 March 2021</b>	<b>90,272</b>
<b>At 1 April 2021</b>	<b>90,272</b>
Impairments	(64,062)
<b>At 31 March 2022</b>	<b>26,210</b>

Name of subsidiary	Proportion of equity and voting rights held
Tetley USA Inc.	100%
Good Earth Corporation Inc.	100%
Good Earth Teas Inc.	100%
Tata Waters LLC	100%

**Tata Consumer Products US Holdings, Inc.****Notes to the financial statements for the year ended 31 March 2022****7. Trade and other receivables**

	<b>2022</b>	2021
	<b>USD'000</b>	USD'000
Trade receivable	<b>255</b>	255
<b>Total</b>	<b>255</b>	255

Trade receivables include amount due from Group Companies of USD 255k (2021: USD 255k).

**8. Borrowings**

	<b>2022</b>	2021
	<b>USD'000</b>	USD'000
Loan from Related party	<b>14,959</b>	14,592
<b>Total</b>	<b>14,959</b>	14,592

**9. Creditors - amounts falling due within one year**

	<b>2022</b>	2021
	<b>USD'000</b>	USD'000
Trade creditors	<b>18,468</b>	18,468
<b>Total</b>	<b>18,468</b>	18,468

Trade Creditors represents amount due to Group Companies of USD 18,468k (2021: 18,468k)

**10. Long Term Provisions**

	<b>USD'000</b>
At 1 April 2020	-
Additions	-
Utilised during the year	-
At 31 March 2021	-
<b>At 1 April 2021</b>	-
Additions	11,136
Utilised during the year	-
<b>At 31 March 2022</b>	<b>11,136</b>

## **Tata Consumer Products US Holdings, Inc.**

### **Notes to the financial statements for the year ended 31 March 2022**

#### **11. Parent company**

The immediate parent undertaking is Tata Consumer Products Overseas Holdings Limited. The smallest parent to include the company's results in its consolidated financial statements is Tata Consumer Products UK Group Limited, a company incorporated in the United Kingdom. The company's ultimate parent undertaking is Tata Consumer Products Limited, a company registered in India.

#### **12. Events after the end of the reporting period**

As at the date of this report, no matter or circumstance has arisen since 31 March 2022 that has significantly affected, or may significantly affect the company, its results or the state of affairs in future financial years.

**13.** Previous year's figures have been regrouped / rearranged, to the extent necessary, to conform to current year's classifications.