June 1, 2021

The National Stock Exchange of India Ltd. Exchange Plaza,Sth floor Plot No. C/1, G Block Bandra Kurla Complex Bandra (E) Mumbai 400 051 **Scrip Code - TATACONSUM**	**BSE Ltd.** Corporate Relationship Dept. 1st Floor, New Trading Wing Rotunda Building, PJ Towers Dalal Street Mumbai 400 001 **Scrip Code -** 500800	**The Calcutta Stock Exchange Ltd.** 7 Lyons Range Kolkata 700 001 Scrip Code – **10000027 (Demat)** **27 (Physical)**

Sub: Integrated Annual Report FY 2020-21 and Notice of 58th Annual General Meeting

Dear Sir/Madam,

In furtherance to our letter dated May 6, 2021, we wish to inform you that **58th Annual General Meeting** (AGM) of the Company will be held on **Friday, June 25, 2021 at 10:30 a.m**. IST through Video Conference / Other Audio-Visual Means, in accordance with the General Circular dated January 13, 2021 read with General Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020, issued by the Ministry of Corporate Affairs ('MCA Circulars') and Circulars dated January 15, 2021 and May 12, 2020 issued by the Securities and Exchange Board of India ('SEBI Circulars').

Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 ("Listing Regulations"), we are submitting herewith the Integrated Annual Report of the Company for FY 2020-21 including the Business Responsibility Report together with the Notice of 58th Annual General Meeting of the Company, which is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ Registrar & Share Transfer Agent / Depository Participant(s), in accordance with the MCA Circulars and SEBI Circulars.

Pursuant to Regulation 42 of the Listing Regulations, the Register of Members and Share Transfer Books of the Company will be closed from **Saturday, June 12, 2021 to Friday, June 18, 2021 (both days inclusive)** for determining entitlement of equity shareholders to the dividend for the financial year ended March 31, 2021, if approved by the Shareholders at the 58th AGM. The payment of such dividend, subject to deduction of tax at source, will be made on or after **June 29, 2021 and before July 25, 2021**.

The Integrated Annual Report for the Financial year 2020-21 and the Notice of 58th AGM is also uploaded on the website of the Company at https://www.tataconsumer.com/investors/investor-information/annual-reports and this is also available on the website of NSDL at www.evoting.nsdl.com

Kindly take the same on your record and acknowledge.

Yours Sincerely,

For: **TATA CONSUMER PRODUCTS LIMITED**

NEELABJA CHAKRABARTY
Digitally signed by NEELABJA CHAKRABARTY
Date: 2021.06.01 14:24:30 +05'30'

Neelabja Chakrabarty
Company Secretary

Encl: as above

TATA CONSUMER PRODUCTS LIMITED
(Formerly known as Tata Global Beverages Limited)
11/13 Botawala Building 1st Floor Office No 2-6 Horniman Circle Fort Mumbai 400 001 India
Tel: 91-22-6121-8400 | Fax: 91-22-61218499
Registered Office: 1, Bishop Lefroy Road, Kolkata – 700 020
Corporate Identity Number (CIN): L15491WB1962PLC031425
Email: investor.relations@tataconsumer.com
Website: www.tataconsumer.com

TATA CONSUMER PRODUCTS LIMITED

Transforming for Better

Strengthen and accelerate core business

Drive digital and innovation

Unlock synergies

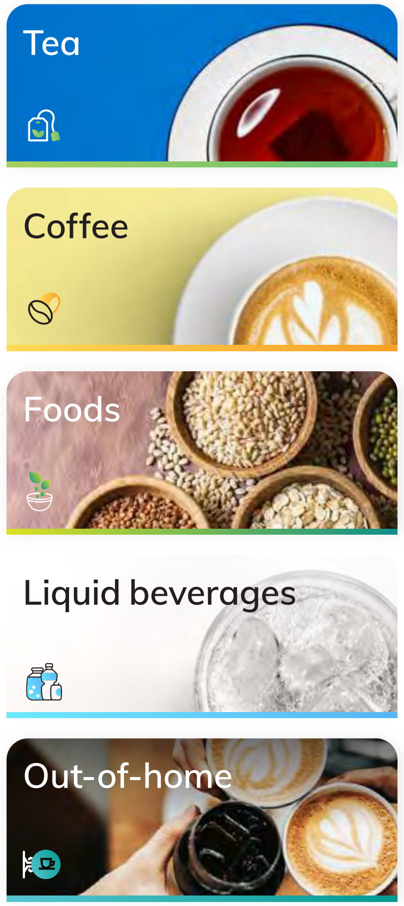
Explore new opportunities

Create a future-ready organisation

Embed sustainability

INTEGRATED ANNUAL REPORT 2020-21

What's inside



More on p. 04 →

ABOUT THIS REPORT

Reporting Approach
The report reflects our integrated thinking and approach to value creation. It provides a holistic view of our Strategy, Governance and Performance, and how they work together to create value over the short, medium, and long term for our stakeholders.

Reporting Principles
The financial and statutory data presented in this report is in line with the requirements of the Companies Act, 2013 (and the rules made thereunder); Indian Accounting Standards; the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and the Secretarial Standards issued by the Institute of Company Secretaries of India. The narrative section of the report is guided by the Integrated Reporting <IR> framework outlined by the International Integrated Reporting Council (IIRC).

Scope and Boundary
This report includes information that is material to our stakeholders, and it presents an overview of the Company's major operations in India, UK, US and Canada, along with the associated activities that help in short, medium and long-term value creation.

Leadership Accountability
The Company's Senior Management, under the Managing Director's supervision, has reviewed the report content. The Board has provided the required governance oversight.

Key highlights FY 20-21

29%
Growth in revenue for the India business# with robust double digit volume growth across segments

8%
Growth in revenue for the International business (constant currency 5%)

101%
Free Cash Flow (FCF)* to EBITDA, up from 81% in FY 19-20

Proud to be a part of Nifty 50
On 31st March 2021, Tata Consumer Products became the fifth Tata Group company to be included in the Nifty 50 index

#Includes India Beverages & India Foods business, including NourishCo as a subsidiary effective May 2020
* FCF to EBITDA ratio is for pre-tax Free Cash Flow

Transforming For Better

At Tata Consumer, transforming is about making consistent progress. Towards becoming a leading Fast Moving Consumer Goods (FMCG) player.

Towards a journey, inspired by the aspirations and preferences of consumers. Towards being ahead of the curve and creating lasting value for our diverse stakeholder groups.

We stand #ForBetter. This underpins our larger objective of making a positive difference through everything we do; in the lives we touch. We view our goals and actions through this lens and come to work every day with this mindset. Our time-honoured legacy of a culture of doing good and sharing progress is something we strive to improve upon consistently.

Our transformation ambition is inspired by the mantra of 'simplify, synergise, speed and scale' to unlock value across segments. We are doing many things towards this goal – integrating our distribution network, consolidating our supply chain, growing our offerings, driving innovation in products and across markets and streamlining our processes. In short, we are investing in the future through continuous and consistent improvement.

For an effective and efficient business.
For holistic impact.
For Better.

Strengthen and accelerate core business
Investing in core brands and markets to drive sustainable and profitable growth.

More on p. 34 →

Explore new opportunities
Identifying and bridging need gaps in the consumption ecosystem to create a larger play across categories and markets.

More on p. 48 →

Drive digital and innovation
Accelerating the innovation agenda to foster new product development and embed digital across every part of our business.

More on p. 38 →

Create a future-ready organisation
Creating a winning culture of sustainable high-performance and investing in capabilities for the future.

More on p. 54 →

Unlock synergies
Building efficiency across the value chain and realising synergies through integration of our businesses and structures.

More on p. 44 →

Embed sustainability
Focusing on sustainability of operations through responsible sourcing and packaging, and working towards a better planet and better communities.

More on p. 58 →

Corporate identity

Building on a robust foundation

Tata Consumer is a consumer products company, with offerings across Food, Beverages and Out-of-Home Retail, and is home to diverse iconic and well-regarded brands. We continuously strive to elevate the Food and Beverage experience for our consumers. Our Beverages portfolio spans tea, coffee, water and ready-to-drink beverages. Our Foods portfolio encompasses salt, pulses, spices, ready-to-cook mixes, breakfast cereals, snacks and mini meals. Our out-of-home retail comprises concept tea-cafes and premium cafes in partnership with Starbucks in India, offering consumers a unique experience. We have brand presence in over 40 countries. Our growth ambitions are anchored on multiple strategic levers that keep us relevant, innovative and agile.

FRESH APPROACH FOR A TRANSFORMATIONAL JOURNEY

In FY 20-21, we have formulated our vision, mission and values to provide a common direction and guide to our actions as we set out to achieve new aspirations.

The Tata legacy

We are part of one of the world's most recognised and respected brands, the Tata Group – a conglomerate that has long been associated with trust, integrity, responsibility and a pioneering spirit. The Group has a total revenue of ~USD 106 Billion and employs over 7,50,000 people worldwide. The Tata Group is headquartered in India and operates in 150+ countries with a mission 'To improve the quality of life of the communities we serve globally, through long-term stakeholder value creation based on Leadership with Trust'.

OUR VISION

To build better lives and thriving communities

Where we want to go

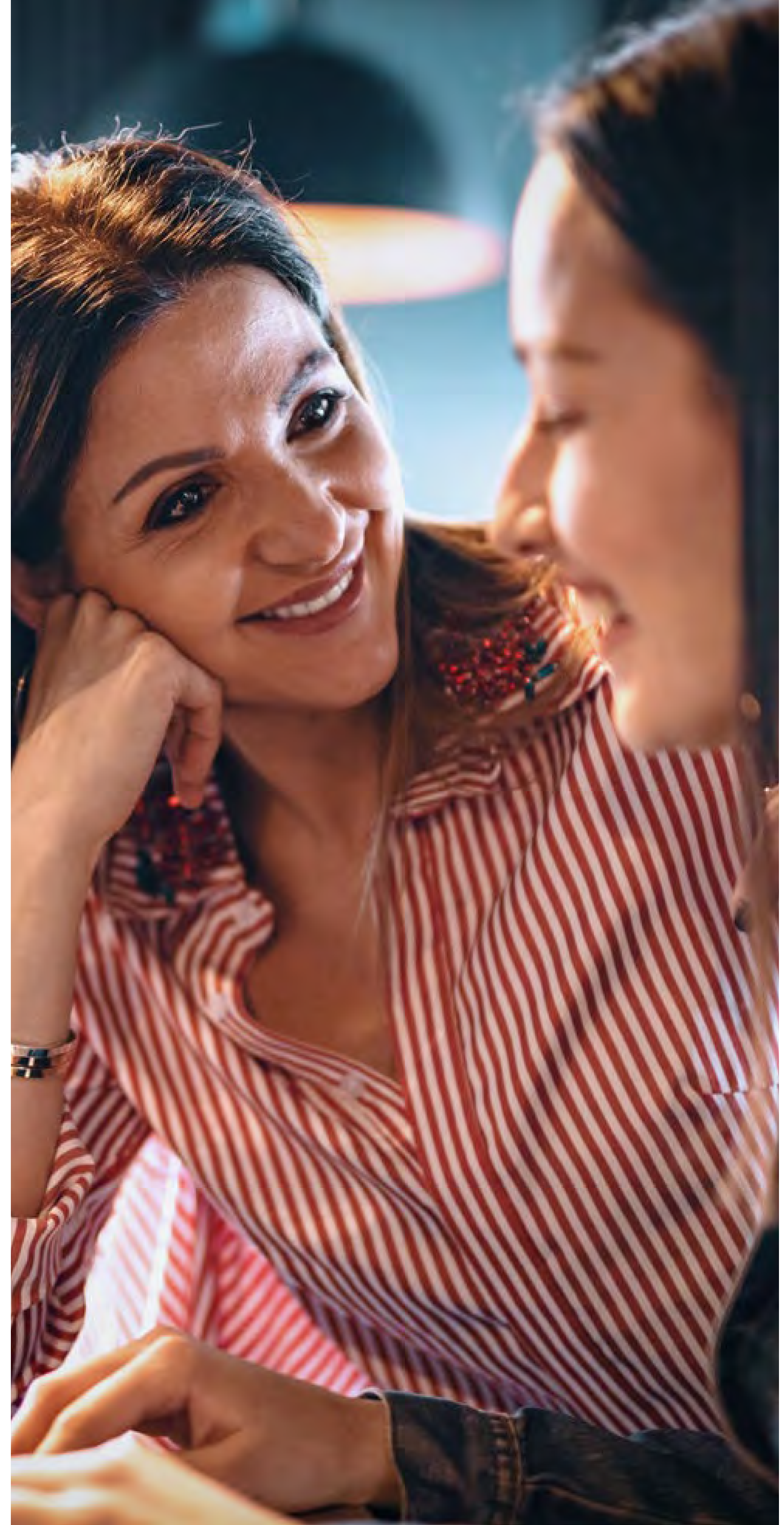
A commitment to build better lives inspires us to create better products, deliver greater value to our stakeholders and encourage our consumers to make healthy choices. We aspire to help communities where we live, work and serve by engaging with them in a meaningful and sustainable way.

OUR MISSION

Passionately growing and innovating every day

How we get there

Passion is a very important aspect of our day-to-day actions. It allows us to dream, take calculated risks and have fun along the way as we create, nurture, grow and innovatively deliver the very best for our consumers.



OUR VALUES

Empathy

Understanding every individual's needs before acting, respecting diversity of thought and the value of collaboration for business

Agility

Being proactive, adaptive and quick to respond to the market, while blending perspectives for dynamic thinking

Ownership

Taking pride and initiative, holding ourselves accountable for our actions, and nurturing the communities we work in

Integrity

Remaining fair, transparent, responsible and ethical in our conduct; everything we do must stand the test of public scrutiny

Excellence

Staying fully engaged and passionate about delivering the highest standards for the company and our own development

Corporate identity

LEADING WITH BRANDS

TEA

Black tea | Green tea | Specialty tea | Fruit & Herbal tea | Cold infusions | Iced tea | Fortified tea

Brands

Tata Tea, Tetley, Laager, vitax, Good Earth, teapigs

#2 Tea brand in India – Tata Tea

#1 Tea brand in Canada – Tetley

#4 Tea brand in the UK – Tetley

COFFEE

Whole bean | Ground | K-Cups (pods) | Instant coffee

Brands

Eight O'Clock, Grand, Sonnets

#4 Roast & Ground Coffee in the USA – Eight O'Clock Coffee

FOODS

Salt | Pulses | Besan (Gram flour) | Poha (Flattened rice) | Ready-to-cook mixes | Spices | Breakfast cereals | Healthy snacks

Brands

Tata Salt, Tata Sampann, Soulfull

#1 Salt brand in India – Tata Salt

Leading National brand in Pulses in India – Tata Sampann

Leading Millet breakfast cereal and snack brand in India - Tata Soulfull

LIQUID BEVERAGES

Natural mineral water | Glucose based hydration drinks | Juice based ethnic drinks Ready-to-drink | Fortified water

Brands

Himalayan, Tata Water Plus, Good Earth, Tata Gluco, Tata Fruski

#1 Natural mineral water brand in India – Himalayan Water

Leading Glucose based hydration drink – Tata Gluco Plus

OUT-OF-HOME

Cafes | Concept tea cafes

Brands

Starbucks, Tata Cha

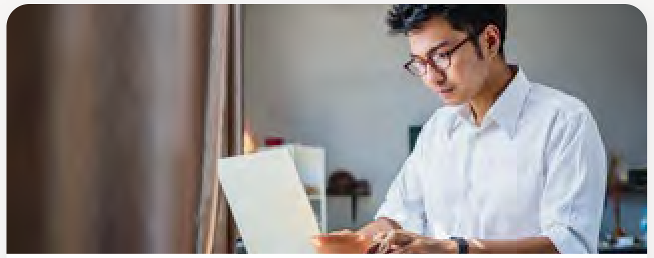
221 Starbucks Stores

18 Cities Presence of Starbucks (7 new cities in FY 20-21)

6 New stores of Tata Cha in FY 20-21 with the first flagship store at Bengaluru Airport

FY 20-21 in review

Committed to delivering better



FINANCIAL

We maintain an unwavering focus on quality, consumer trends and operational efficiency. This reflected in our strong financial results across key parameters in FY 20-21.

20%
Rs.11,602 Crs
Revenue from Operations

20%
Rs.1,569 Crs
EBITDA

102%
Rs.930 Crs
Group Net Profit

~Rs.2,421 Crs
Net Cash*

YoY growth

*Cash and Cash equivalents (net of total borrowings) as on 31st March 2021

OPERATIONAL

We are focused on integrating and streamlining our operations to maximise our effectiveness.

185.4 Mn Kg
Sales Volume – Tea

17 Mn Kg
Sales Volume – Coffee

1,332 Mn Kg
Sales Volume – Salt

Sales volume numbers include India and international business.

SALES AND DISTRIBUTION (S&D)

We are modernising our distribution to ensure our products reach consumers across diverse markets with best-in-class service. We are digitising the network to access real-time data and results and enable proactive decision-making.

3x
Rural feet on street

6.5 lakh
Outlets billed directly (as on 31st March 2021)

100%
Direct channel partner automation

1,500
Direct distributors

2,500*
Sub distributors

300*
Super stockists

2,000
Rural distributors

5.2%
Contribution of e-commerce to total sales

17 days ↓
Working Capital reduction from 59 days in FY 19-20 to 42 days FY 20-21, despite unprecedented inflation in tea prices driving high tea inventory levels

*All numbers as of 31st March 2021 for India

PEOPLE

The well-being and professional development of our people is paramount to us. We are an equal opportunity employer, and we encourage and nurture a diverse and inclusive culture.

34%
Women in the workforce

33,511
Hours of training sessions

PROCUREMENT

We are committed to bringing our consumers only the best of nature and science. Sustainable sourcing is at the heart of our responsible procurement efforts.

60%
Of procurement for India tea business from trustea-certified farms

~100%
Of procurement for Tetley tea in the International business from Rainforest Alliance-certified farms

COMMUNITY

We contribute to the community around us through our sustainability programmes and CSR efforts. Our employees underline their philanthropic spirit through volunteering and community participation.

800,000
Lives benefited through our sustainability and CSR programmes

4,500+
Employee volunteering hours

SUSTAINABILITY

Being mindful and making a positive difference to the land and the environment around us is integral to our strategy and we strive to keep our ecological impact in check.

Among the 27%
Of companies that reached Leadership level in the Food & Beverages processing group globally on the CDP Index 2020

Zero waste
To landfill for global Beverages business

53%
Recyclable packaging for Tata Salt (FY 20-21)

*Note: All numbers as of 31st March 2021

Brand highlights

Creating differentiated experiences

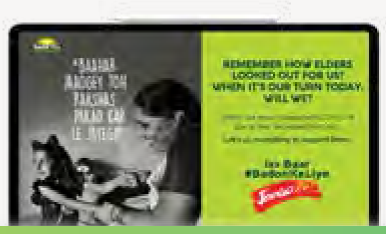
TATA TEA |

PREMIUM

- Gained market share YoY
- Crafted key marketing campaigns celebrating India like Desh Ka Kulhad on Independence Day and hyperlocalised our packaging to pay tribute to the diversity of India's culture and festivals with limited edition, festive packs for Tata Tea Premium

PREMIUM

- Tata Tea Leaf created unique Chhath Puja campaign and festive pack to pay ode to the rich culture of Bihar and Jharkhand (Holi in UP and Delhi packs, tin cans for Diwali on e-commerce, Baisakhi packs for Punjab)
- Tata Tea Premium was relaunched across the Gulf Cooperation Council (GCC) with new packaging and in-store marketing activities
- Elaichi Chai continued with its momentum from previous years to deliver steady growth



TATA TEA JAAGO RE

- In the wake of the unprecedented COVID-19 situation, Tata Tea Jaago Re launched the Iss Baar #BadonKeLiye campaign to help generate awareness and facilitate change for the elderly community, who are at their most vulnerable during these times
- ~6,500 pledges were signed to support the elderly
- Jaago Re tied up with Help Age India to distribute 5,000 ration kits across India

GOLD

- Rolled out exclusive campaign **'Bengalis' favourite tea'** for brand's biggest market, West Bengal,
- One-of-its-kind association with Amazon Prime Video and Amazon.in to bring alive brand's message **#DilKiSuno**
- Celebrated Durga Puja with a specially designed pack using fusion of Patua and Pattachitra art forms

CHAKRA GOLD

- Helped ease the financial situation of tea shop owners in Tamil Nadu who faced acute business shortage during the lockdown. Tata Tea Chakra Gold launched a campaign #OruTeaSollunga which raised interim funds that were distributed to 2,400+ outlets in the state
- Partnered with Chennai Super Kings as the official tea partner in the 2020 edition of the Indian Premier League

KANAN DEVAN

Launched a restage campaign in its main state of Kerala. The new packs and communication campaign positions the range as representative of the 'Unique taste that Kerala loves'. It strengthens regional pride and love for the brand in the state

GEMINI

Launched a restage campaign and new packaging to deepen our regional connect in key market of Telengana. The TV commercial celebrates the strong women of Telangana and pays an ode to their never-settle attitude

AGNI

- Tata Tea Agni became the **#1 Brand by Volume** in the India Packaged Beverages portfolio
- Tata Tea Agni went on air and in local print to highlight its value and strength positioning

Brand highlights

TETLEY |

UK

- Tetley Herbals developed by Tetley Master Blender launched in July 2020
- Cold Infusions Summer 2020 Campaign encouraged the audience to 'add a little fruitiness to their water'
- OOH range was relaunched with new product and packaging. The 100% recyclable range now has a new recyclable envelope, alongside the already compostable teabag. We are the first of the top 3 brands in the sector to have done this

US

- Tetley posted the highest year-over-year growth trend led by significant uptick in Tetley Flavors of Britain revenue from key customers
- Tetley introduced premium Tetley Flavors of Britain black tea range in the US, inspired by British tea drinking heritage

CANADA

- Tetley continued to be Canada's leading tea brand
- Tetley Cold Infusions launched, featuring Canadian swimmer Penny Olesiak in a digital campaign. The product was chosen as 2021 Best New Product
- Tetley introduced 2 new Super Teas so Canadians can now enjoy 8 delicious vitamin fortified teas. The entire line-up was chosen as 2021 Product of the Year
- Tetley Specialty tea is #1 with significant increase in household penetration and sales value by over 35% this year

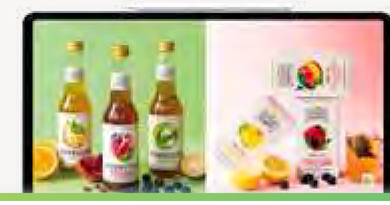
INDIA

- Tetley Green Tea bags relaunched as Tetley Green Tea Immune. The brand reformulated its entire green tea bags range with the added immunity power of Vitamin C

POLAND

- Tetley saw double-digit growth during last year due to distribution improvement
- Tetley Cold Infusions launched with 3 SKUs

GOOD EARTH |



UK

Launched the first RTD proposition for Good Earth Kombucha, packed with natural goodness and bold flavours

US

Introduced a range of premium herbal Sensorial Blend teas to expand offerings

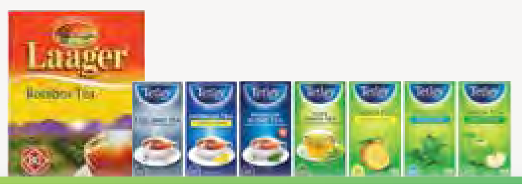
VITAX |

Switched into new-format tea sachets (square tea bag)

TEAPIGS |

- Recorded highest growth in revenue in 7 years (18%)
- Maintained #1 super premium brand position in the UK with 67% market share
- Positive impact on people, profit and environment: £90k raised for tea growing communities in Rwanda via our ethical scheme (+50% YoY)

JOEKELS |



SOUTH AFRICA

- Laager Rooibos saw highest volume growth of any Rooibos brand and grew ahead of the Rooibos segment at 28% vs segment growth at 8.5% (MAT March 2021 vs previous year)
- Tetley Green tea saw phenomenal growth of 63.4% (ahead of the Green tea segment which grew at 19.9%) and extended its lead to 41.5% share of Green tea in South Africa (MAT March 2021 vs previous year)

Brand highlights

COFFEE |

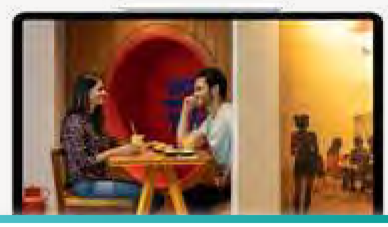
EIGHT O'CLOCK

- Eight O' Clock core led growth- Wholebean coffee reached +10K consumer reviews on Amazon and is now a top 10 category leader
- Eight O' Clock Innovation contributed over USD 1 Mn in revenue on e-commerce led by Flavors of America

TATA COFFEE GRAND

As part of the strategy to expand the Coffee business, Tata Coffee Grand was supported by a new campaign, leveraging its product proposition of 'Flavor locked decoction crystals', which lead to a great coffee experience

OUT-OF-HOME |



TATA CHA

- Opened 6 new stores in FY 20-21 including the first flagship store at Bengaluru international Airport
- Highest ever brand buzz volume at 2.4 Mn riding on 8 menu campaigns and 2 integrated brand campaigns
- Launched Tata Cha Rewards

LIQUID BEVERAGES |

HIMALAYAN

- Successfully created new distribution system targeted at premium outlets
- Improved profitability and expanded distribution footprint

TATA WATER PLUS

Tata Water Plus grew by 53% compared to last year

TATA GLUCO PLUS

Revenue growth of 4% vs previous year, a considerable achievement for an entirely out-of-home offering, adversely impacted due to COVID-19. Expansion into new markets and infrastructure has been built to ensure readiness

TATA FRUSKI

Tata Fruski, a street-inspired range of tongue-tantalising drinks, pilot-launched in Hyderabad and Visakhapatnam

FOODS |

TATA SALT

- Premium portfolio value contribution grew to 3.5% in FY 20-21 (1.8% in FY 19-20)
- Tata Salt's association with Kaun Banega Crorepati 2020, the first-ever high-impact property sponsorship on the brand, helped drive awareness of the Premium Salts portfolio and significantly boosted brand image scores
- Relaunch of Tata Salt Lite with #TakeItLite campaign live on TV to build awareness and focus on the premium portfolio
- Rock Salt scaled up by 3X in FY 20-21
- Launched a new national communication campaign, #SawaalDeshKiSehatKa to amplify the Iodine proposition and educate consumers on its role in ensuring normal growth and mental development in children

FOODS |

TATA SOULFULL

- The UN announced 2023 as the International Year of Millets, underlining the potential of our acquisition in the health and wellness sector
- Launched into the mainstream category with Tata Soulfull No Maida Choco with a strong 'Better for you' proposition

FOODS |

TATA SAMPANN

#Spiceupyourhealth – Spices New IMC Campaign (Q2 onwards)

- Launched new IMC #Spiceupyourhealth in Q2, centred on the brand proposition of 'spice with natural oils
- It was launched with a 360-degree campaign

#Spiceupyourhealth impact

Through sustained integrated media efforts, the brand health for spices was on an upward trend through the year with 2X growth on brand health

Tata Sampann Poshan Thali PR Campaign

Aimed at driving Sampann proposition of wholesome nutrition, a PR campaign was rolled out in Q4. 29 influencers/nutrition experts were engaged to share their #sampannposhanthali featuring products across categories of Tata Sampann.

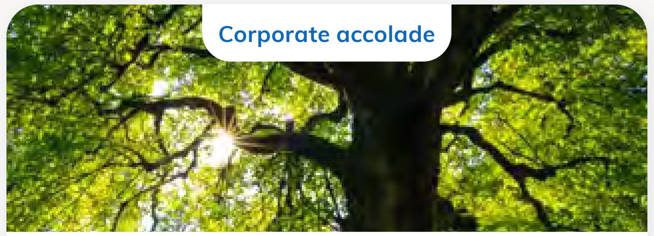
Awards

Recognised for excellence

Corporate accolade

Featured in the **'Leadership' category** as assessed by IiAS on the IFC-BSE-IiAS Indian Corporate Governance Scorecard

Corporate accolade



Commitment to environment

Tata Consumer partnership won **'Outstanding Performance'** in the **'Sectoral Value Chain on Tea'** category at the **CII Food Future Foundation (FFF) National Award** for Sustainable Sourcing 2020

Tata Consumer's UK office in Greenford received an award for **recycling by Paper Round**, a recognition of our efforts towards **UK's Net Zero target**

Sampla Packaging Centre in Haryana and Pullivasal Packaging Centre in Kerala awarded **Silver prize** in the 6th edition of the **India Green Manufacturing Challenge**

Beverages - International

Canada

Tetley was recognised as the **Most Trusted Brand 2021** for 7 years in a row

Tetley Super Teas Line won the **Product of the Year 2021** award

Tetley Cold Infusions Line became the **Best New Product of the Year 2021**

Corporate accolade

Campus Employer Branding Award

Ranked 15th among most desirable FMCG/Beverage Companies by D2C (Category: Premier 30 B-Schools) based on survey of over 7,000 B-School students

Corporate accolade

Masters of Risk award (FMCG category) at the 7th edition of India Risk Management Awards, a testimony to strong risk identification and mitigation practices at the Company

Corporate accolade

Six packing centres in India received Food Safety awards from Confederation of Indian Industry (CII), including one award for **'Outstanding Performance in Food and Safety'** (the highest award in the tea sector)

Beverages - India

Himalayan Sparkling and Tata Tea Tulsi Green won **'India Star awards'** for excellence in packaging from Indian Institute of Packaging (IIP)

Foods - India

Won 1 silver (Best use of web based games: India Quizzing League), **2 bronze** for Best Integrated Media Campaign at IDMA 2020 award

Won 2 silvers (India Quizzing League; Best B2B Campaign for #BapuReminder campaign) at India Digiplus Awards 2021

Awarded **5 golds** and **6 silvers** between two of our campaigns: Maulichi Savli and Shakti Ka Sammaan - Flame Awards 2020 organised by Rural Marketing Association of India (RMAI)

Tata Salt was recognised as **BrandZ India's 'Most Trusted Brand' in 2020**

Beverages - India

ET Shark Awards 2020

Gold

- Best Marketing Campaign during COVID-19 – Iss Baar **#BadonKeLiye #JaagoRe**
- Best Campaign in FMCG – Tata Tea Premium **#DeshKiChai campaign**
- Best Local/Regional Campaign category – Tata Tea **#DilSeRichDilli campaign**
- Re/brand campaign – Tata Tea Premium **#DeshKiChai campaign**

Silver

- Best integrated marketing campaign – Tata Tea Premium **#DeshKiChai campaign**

CMO Asia National Awards for Marketing Excellence

- Marketing Excellence in FMCG sector
- Marketing Communication – Business to consumer
- Consumer Insight
- Brand Revitalisation award

The Brand Disruption Awards 2021

- Disruptive Brand of the Year
- Best Disruptive Regional Campaign – Gold
- Best Disruptive Customer Centric Campaign – Silver
- Best Campaign in FMCG – Silver

Indian Marketing Awards

- Award for Brand Rejuvenation
- Award for Consumer Insight

Beverages - India

Tata Tea Gold

Awarded for content marketing for its **#DilKiSuno**' initiative by National Awards for Marketing Excellence

Beverages - International

UK

Good Earth Kombucha voted as **'Product of the Year'** in Chilled and Fortified Drinks category.

Starbucks

Tata Starbucks recognised as Top #100 Work places for Women in India 2020 by 'Great Place To Work' and 'Avtar and Working Mother' (5 consecutive years)

Global presence

Focused global presence

Canada

- Tetley
- teapigs
- Tata Tea

4%*

- Eight O' Clock

USA

- Tetley
- Good Earth
- teapigs
- Tata Tea

16%*

- Eight O' Clock

UK and Europe

- Tetley
- teapigs
- Vitax
- Good Earth
- Tata Tea

12%*

- Eight O' Clock
- Good Earth

Middle East

- Tetley
- Tata Tea

India

- Tata Tea
- Tetley
- Tata Tea 1868

67%*

- Tata Coffee Grand
- Sonnets by Tata Coffee

- Tata Salt
- Tata Sampann
- Tata Soulfull

- Himalayan
- Tata Water Plus
- Tata Gluco Plus
- Tata Fruski

- Tata Starbucks
- Tata Cha

Australia

- Tetley
- teapigs

1%*

- Good Earth Kombucha

South Africa

- Tetley
- Laager

Tea Coffee Foods Liquid Beverages Out-of-Home

*Note: Region-wise share of consolidated branded revenue

BRANDED BUSINESS WORKFORCE BY REGION (NO.)

India | 2,848

UK | 481

USA | 149

Other regions* | 56

*Other regions: Bangladesh, UAE, Canada, Poland, Kenya, Malawi and Australia

Chairman's letter

Building a stronger organisation. Intrinsically.

Tata Consumer Products embarked on its transformation journey and has made significant progress despite the pandemic. As a first step, the integration of the India Food and Beverages business has been substantially completed and we have started to see synergy benefits from this integration.

Dear Shareholders

I am pleased to write to you on the performance of Tata Consumer for the financial year 2020-21.

The last year has presented unprecedented challenges due to the COVID-19 pandemic; it has been a time of significant upheaval and a test of resilience. Yet, it led us to adapt, re-orient and accelerate learning while keeping the safety of our employees and business ecosystem partners, at the forefront.

In line with our ambition to become a formidable player in the FMCG industry, Tata Consumer embarked on a transformation journey and we made significant progress despite the pandemic. As a first step, the integration of the India Foods and Beverages business has been substantially completed and we have started to see synergy benefits from this integration.

Additionally, during the last fiscal, we have delivered robust broad-based growth across all our businesses and strong financial performance across all metrices, despite a challenging operating environment. Importantly, we have focused on putting in place the right building blocks for the future. These include identifying our strategic priorities, implementing an integrated organisation structure, investing in capabilities and talent, and driving digital to name a few. With these building blocks in place, Tata Consumer is well positioned for accelerated growth. As Mahatma Gandhi said, "The future depends on what you do today." Building on the foundation we have and executing against our strategy will be critical for consistent value creation for our shareholders going forward.

Another key area we have focused on is the product portfolio of our Company, which has been enhanced through targeted acquisitions. We now have a portfolio which covers tea, coffee, water, salt, pulses, spices, ready-to-cook offerings, breakfast cereals, snacks, and mini meals. We have also stepped up the pace of innovation across markets in line with consumer trends such as health and wellness and convenience.

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In our international markets, we have divested stake in non-core businesses to enable greater focus on our core branded businesses.

Given the scale and nature of the challenges posed by the pandemic, we have put in place several initiatives for the safety and well-being of our people through the course of the year. Apart from strict safety protocols and social distancing measures, work from home flexibility was provided, and various health and wellness initiatives were launched to address physical, mental, and emotional well-being. In addition to the employees, support has also been extended to business partners in sales and manufacturing in India by way of specific medical assistance, hospitalisation and insurance programmes, along with covering vaccination costs.

As we continue to navigate the uncertainties posed by COVID-19, I would like to express my gratitude to all our employees, especially those in frontline roles who have worked tirelessly to grow the business and ensure our products reach consumers across markets. I would also like to thank all our shareholders for their continued support and faith in Tata Consumer.

Warm regards,

N. Chandrasekaran
Chairman

MD & CEO's perspective

Embarking on a holistic transformation to achieve our vision

Sunil D'Souza has been Tata Consumer's MD & CEO for a little over a year now. In this conversation, he shares his experience and views on the progress in FY 20-21 across diverse fronts, despite the challenging environment. He also provides insights into the transformation in progress at Tata Consumer.

Why do you call the present events and progress at Tata Consumer transformational? How is it different from business-as-usual, and what set it in motion?
The merger that led to the formation of Tata Consumer was the start of creating a new-age consumer company that has scale. To fulfil Tata Consumer's expanded ambition, we needed to transform the organisation on many fronts. We began that journey last year and have made significant progress. Our efforts directed at simplifying processes, synergising operations and scaling impact have started to show results. In the process, we also discovered the relative strengths of our brands, network and relationships. The outcomes are positive, as evidenced not just in our results but also in the manner in which the team came together to deliver despite the pandemic. Having said that, we have a long way to go. We are defining and designing our organisation and approach around this ambition. That's why I call it a transformation-in-progress.

Can you be a little more specific on what aspects of the business need to be transformed and how has the progress been?
We began with building an integrated, unified organisation so that we would have a strong foundation. We redefined our vision, mission and values to reflect our path forward. Paralelly, we also looked at the strategic and operational aspects.

We announced a clear and holistic strategy and are mapping and reporting progress against it, as you will read across this Report. This is our north star. Tied to it is operational transformation such as in our sales and distribution infrastructure, supply chain and capability building towards being a multi-category FMCG player. In our S&D overhaul process, we rationalised layers, created a larger and more robust distribution footprint and ensured end-to-end digitisation for distribution partners. Similarly, on the supply chain side, we integrated and consolidated our footprint and have recently implemented Integrated Business Planning (IBP) for seamless planning and execution. We completed our ERP migration to S4HANA in record time and finalised the synergy identification and integration process, to begin realisations from the third quarter. This, while delivering double-digit growth with market share gains across Tea and Salt - our largest product categories!

This is an ongoing journey. Some specific areas we are looking at augmenting this year are digital, innovation and accelerating synergies further.

Read on about progress against strategy on p. 32-63 →

Given this background, what are your thoughts on the performance for the year?
There are two ways to look at it. We reported strong performance, growing revenue by 20%, adding around Rs. 2,000 Crores to the topline coupled with strong volume growth. We reported a consolidated EBITDA growth of 20% and more than doubled our net profit with strong free cash flow conversion. This was made possible by strong portfolio performance, with many brands delivering remarkably.

However, I feel particularly good about the progress we made against our strategy and the quality of our growth. We delivered on our commitment to complete the integration of the India Food and Beverages businesses, and the synergy benefits have begun to flow in. We expanded distribution and enhanced focus on premiumisation, leading to robust outcomes in the core portfolio. The FMCG ambition was bolstered through two strategic acquisitions in India – Soulfull and NourishCo, which helped create a much wider portfolio. Our international business also saw healthy revenue and volume growth and new offerings and consumer propositions won us recognition across the UK, US and Canada markets.

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Our inclusion in the Nifty 50 index is a validation of these efforts and the strong stakeholder confidence in our approach and initial results of our transformation.

We divested our non-branded businesses in Australia (MAP out-of-home coffee) and food-service business in USA (membership interest in Empirical Group LLC and Southern Tea LLC) to ensure a laser focus on our core business.

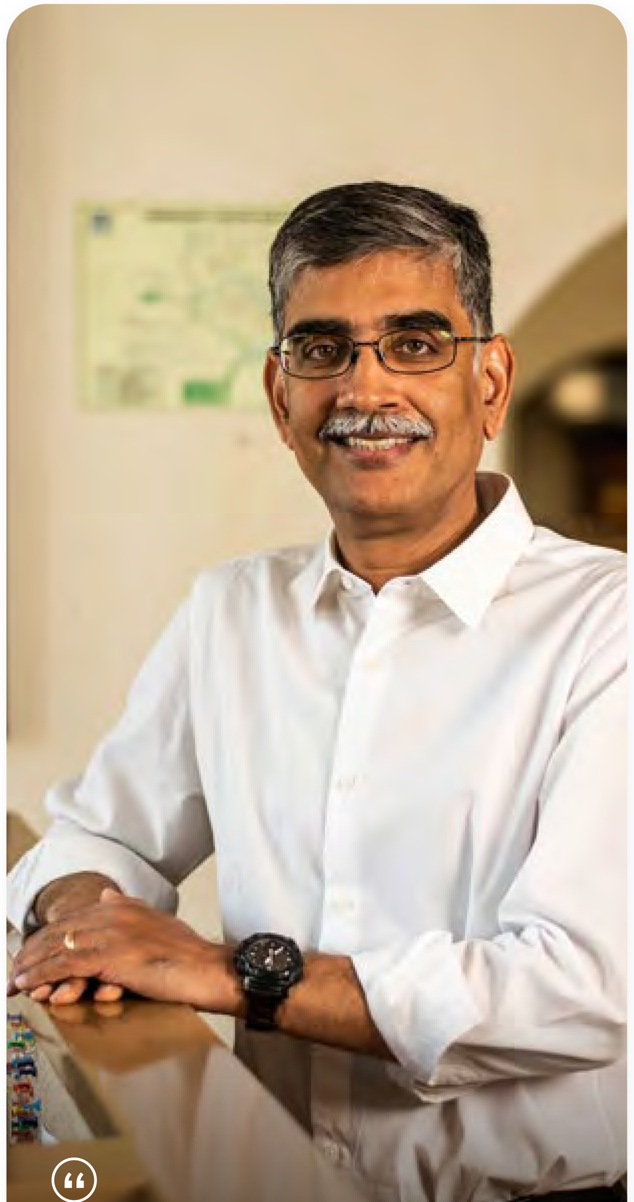
Finally, our inclusion in the Nifty 50 index is a validation of these efforts, and the strong stakeholder confidence in our approach and initial results of our transformation.

Read on about business performance on p. 24-25 →

Let us talk about integration of the F&B portfolio in India a bit more, given that it was a key driver of the merger. Can you throw more light on some specific benefits you are seeing as a result of it?
Like I mentioned earlier, a major component of the integration was the redesign of our sales and distribution architecture and network in India. This has led to substantial enhancement of our reach. While we rationalised our distributors, we added +30% feet on street in the system and our direct outlet coverage has gone up by 30% and numeric distribution increased by 15%. We are focused on increasing our rural reach for which we now have 3x the number of territory sales officers and have already added 2,000+ rural distributors. Our dedicated, channel-specific sales teams cater to e-commerce, modern trade, institutions, and general trade. All these actions gave us more feet-on-street, enhanced reach, dedicated channel focus, better execution, lower cost-to-serve and improved service levels.

There were significant benefits on the supply chain side as well. Consolidation of CFA locations across the Food and Beverages businesses led to optimisation of the vendor base and warehouse network, and leveraging synergies of scale to optimise back-end costs. Our Integrated Business Planning tool facilitates more agile and effective demand and supply planning, and the best-in-class ERP implementation will lead to further efficiencies and faster decision-making. We are on or ahead of our targets to drive Rs.100-150 Crores of synergies.

MD & CEO's perspective



To capitalise on the increased adoption of digital by consumers, we strengthened our e-commerce capabilities, and its overall contribution to sales more than doubled from 2.5% to 5.2% in India."

Sunil D' Souza
MD & CEO

We strengthened our brands, drove innovation, streamlined our processes and supply chain. In short, we ensured our products were reaching consumers seamlessly, without compromising the safety and wellbeing of our people.

How does all of this tie up with the key emerging consumer trends? How is Tata Consumer positioned on these?
Consumer trends in our business do not generally change overnight, but the pandemic has led to an acceleration of certain trends.

We saw the emergence of do-it-yourself cooking and the rise of the home chef. Convenience shopping, deliveries and e-commerce adoption accelerated exponentially as a result of the lockdowns and their aftermaths. And, of course, health and wellness became a key area of focus for consumers, having a direct impact on their food and beverage choices.

We are fully seized of these developments and have the ability to be nimble when we see a long-term opportunity. Since our product portfolio has always had a focus on health and wellness, we were well positioned to meet consumer needs. Today, we have multiple products that are not just addressing, but also shaping these preferences, across our key markets and categories. For example, in India we launched Haldi Doodh and various ready-to-cook nutrimixes under the Tata Sampann portfolio. In beverages, we launched Tata Tea Tulsi and Tetley Immune. In our international markets, Tetley Super teas and Good Earth Kombucha were launched in keeping with consumer preferences.

To capitalise on the increased adoption of digital by consumers, we strengthened our e-commerce capabilities, and its overall contribution to sales more than doubled from 2.5% to 5.2% in India. Our e-commerce presence in the international markets strengthened significantly, with the USA seeing a triple-digit growth in the channel. We also launched our own premium D2C brands in India, including Tata Tea 1868 - a range of luxury teas and Sonnets by Tata Coffee- a premium range of roast and ground coffees, to leverage the shifting consumer mindsets and shopping trends.

Read on emerging consumer trends and our response to them on p. 28-29 →

That sounds remarkable even for a normal year, and FY 20-21 was anything but. What was key to managing continuity of operations and these changes, and how did you involve your team?
SD: We planned; and we collaborated relentlessly. And we never took our eyes of the ball. When adversity stares in the face, great teams come together to make things happen. I am incredibly proud of multiple examples of people stepping up and going the extra mile, to realise the common goal of emerging stronger on the other side of the crisis. We strengthened our brands, drove innovation, streamlined our processes and supply chain. In short, we ensured our products were reaching consumers seamlessly, without compromising the safety and well-being of our people. We offered support to our people to ensure mental and physical wellness, recalibrated to a new way of working, and are now doubling down on those efforts along with encouraging rapid vaccinations as the country grapples with the brutal second wave.

Our resolve to build a future- and change-ready organisation remains resolute. There is emphasis on fostering a purpose driven, high-performance culture and we are investing in capability and capacity building; and creating multiple new functions that will lead future growth.

How do you ensure that all of this is sustainable, and creates a responsible business? How are you doing on ESG parameters?
Sustainability has been a cornerstone of our corporate strategy. We inherit this from our parent group and legacy, and it is firmly embedded in our vision. We adopt a 360-degree view of sustainability, and our actions encompass sustainable sourcing, community benefits, climate change management and helping build a circular economy. We supplement this with enhanced quality and responsibility on the product side, prudent consumer communication, a strong people focus and adhering to the highest governance standards. In everything we do, value-creation for all stakeholders is a key consideration.

We are working towards optimising packaging, making efficient use of resources, and reducing environmental impact without compromising on product quality and safety. Our Beverages production facilities globally are zero waste to landfill. In India, we achieved plastic neutrality through our Extended Producer Responsibility (EPR) plan for the collection and disposal of plastic packaging waste on a brand-neutral basis. We are also members of the UK Plastics Pact, a collaborative initiative between UK businesses across the plastics value chain, the UK government, and NGOs to create a circular economy in plastics.

Sustainability has been a cornerstone of our corporate strategy. We have inherited this from our parent group and legacy, and it is firmly embedded in our vision. We adopt a 360-degree view of sustainability, and our actions encompass sustainable sourcing, community benefits, climate change management and helping build a circular economy.

Last year, we were recognised for our tea sourcing practices in India by the CII Food Future foundation. We were also recognised for our actions towards protecting the environment and preventing climate change by CDP India 2020 Climate Change Report for the second consecutive year. Our community initiatives are well thought of and create lasting value for the beneficiaries.

Read on about sustainability initiatives on p. 58-63 →

Any closing thoughts? What is the road ahead for Tata Consumer?
I would like to express my gratitude towards our consumers, partners, employees and the Board for their support during this year. I am proud to be leading a group of highly driven colleagues who did not spare any effort to make this year what it was, and I am deeply appreciative of their efforts. We are committed to fulfilling the aspirations of all our stakeholders and directing all our energies towards the ambition of being a formidable player in the FMCG category. We now have a strong foundation and will build on it to accelerate our growth momentum. We will continue to focus on our strategy and remain nimble enough to adapt to the evolving operating environment. The macro economic environment is challenging, and this may need us to recalibrate some of our plans. We are prepared for that. However, I also believe that this is only the beginning, and our best is a long way ahead.

Key Performance Indicators

Measuring our progress

FINANCIAL

Revenue from Operations (Rs. Crores)

FY 20-21	11,602
FY 19-20	9,637

20%

EBITDA (Rs. Crores)

FY 20-21	1,569
FY 19-20	1,310

20%

Profit before Tax and Exceptional Items (Rs. Crores)

FY 20-21	1,342
FY 19-20	1,084

24%

Group Net Profit (Rs. Crores)

FY 20-21	930
FY 19-20	460

102%

Return on Operating Capital Employed (%)

FY 20-21	10.0
FY 19-20	8.1

190 bps

Return on Operating Capital Employed excluding Goodwill and Brands (Indefinite Life) (%)

FY 20-21	37.5
FY 19-20	28.7

880 bps

YoY growth

SEGMENTAL

India Beverages (Rs. Crores)

FY 20-21	4,601
FY 19-20	3,377

36%

India Foods (Rs. Crores)

FY 20-21	2,442
FY 19-20	2,064

18%

International Beverages (Rs. Crores)

FY 20-21	3,469
FY 19-20	3,226

8%

Non Branded Business (Rs. Crores)

FY 20-21	1,122
FY 19-20	975

15%

Revenue - Branded business in FY 20-21 (%)

YoY growth

ENVIRONMENTAL

GHG emissions ($MTCO_2e$)

	Scope 1	Scope 2
FY 20-21	13,259	19,083
FY 19-20	11,731	16,869

'Note the increase in GHG emissions between FY20 and FY21 is because of the integration of food business to the GHG operational control boundaries.

Renewable energy (%)

FY 20-21	25.8
FY 19-20	14.1

83%

Reducing water consumption (l/tonne)

FY 20-21	273
FY 19-20	279

100%
Of roof area at Indian tea packeting units is covered by rainwater harvesting structures under 'Project Jalodari'

Among the top 27%
Of companies globally that reached Leadership level in the Food and Beverages processing group in the CDP Index 2020

YoY growth

SOCIAL

Total learning hours (Hours)

FY 20-21	33,511
FY 19-20	14,157

Investments in CSR programmes (Rs. Crores)

FY 20-21	12.0
FY 19-20	10.9

10%

65% Public ownership

Zero POSH* complaints during FY 20-21

~88% Shareholder's queries resolved in <15 days

Zero Investor's complaints as on 31st March 2021

98.5% Demat Shareholding

4,500+ Volunteering hours with the help of 3,500+ volunteers in FY 20-21

*Prevention of Sexual Harassment

GOVERNANCE

4 years Average tenure of Directors with Tata Consumer

50% Independent Directors on the Board

75% Non-executive Directors on the Board

96% Board attendance

~95% Committee attendance

50% Independent Directors in Board Committees composition

Business model

A disciplined approach to creating value over the long term

Our execution-driven approach is underpinned by a value creation model and global expertise, and consideration of diverse stakeholder interests.

KEY ENABLERS

People
Our ~3,000 strong team, their dedication to work especially during the current challenging times and their specialised skills help us move closer to our vision of 'For Better'.

Insight and expertise
Brands and products that stem from a deep understanding of what the consumer needs in India and globally and the ability to deliver it to them with quality as a priority.

Brands
Leading and iconic brands, with top-of-the-mind recall and loyalties keep us ahead in the market.

Infrastructure
We have over 11 factories and 5 dedicated research and development centres.

Stakeholders
Strong relationships and proactive engagement with our ecosystem ensures that our ecosystem always feels loved and heard by us. This network is inclusive of over 2,700 suppliers and 4,500+ distributors who provide our business-critical support.

Financial resources
A strong balance sheet and solid cash flows strengthen our strategy execution capabilities and ensure our ability to generate consistent value for stakeholders.

KEY DIFFERENTIATORS

Brand portfolio
We have a portfolio of iconic brands that have become household staples over the years in India. They come in diverse price points and categories to appeal to a wide cross-section of consumers.

Expansive presence
Our international presence across North America, Canada, UK, Europe, Australia and South Africa makes us privy to consumer preferences and market dynamics across the world and enables us to cross-pollinate ideas across geographies.

Innovation and agility
We have a portfolio of iconic brands, spanning a wide range of products that go beyond taste to fulfil purposes of health and well-being for our consumers. We stay on top of shifting market trends with data-driven insights and research that help bring solutions aligned to consumer needs.

BUSINESS ACTIVITIES

Sustainable sourcing
We understand deeply that the conscious consumers of today are interested in knowing where their food comes from. Responsible and sustainable sourcing of our products is, therefore, paramount to us.

Market and sell
We ensure creation of content that engages meaningfully with our consumers, helps them understand the benefits of our products and makes them feel heard through our multi-channel marketing initiatives.

1 4
2 3

Manufacture
Our responsibly sourced raw materials are infused with the Tata Consumer goodness and expertise, packaged at our in-house/partner facilities and made ready for the end consumer with quality as a non-negotiable parameter.

Distribute
A consolidated network of distributors deliver our products to 2.5 Mn retail sale outlets in India and a similar number outside.

OUTCOME

Consumers
Playing an important role in the daily lives of our consumers

80%
Of households in India use at least one Tata Consumer product/brand

People
Creating distinctive opportunities for growth and learning

65%+
People who have stayed with us for 5+ years

95%+
Retention of high-performing talent

180+
Employees connected with growth opportunities in FY 20-21

200+
Employees onboarded as we grow into a diversified FMCG company

Communities
Helping create more resilient and self-reliant communities through thoughtful initiatives

800,000
Lives impacted through our sustainability and CSR programmes

Investors
Making decisions that help enhance our capital allocation year on year

405%
Per-share proposed dividend for FY 20-21 (Face value of Rs.1 per share)

50%
Increase in dividend YoY

Emerging consumer trends and behaviour

Understanding the dynamism of the consumption landscape

The pandemic has reconfigured our lives and brought a fundamental shift in consumer trends globally and in India. With altered food habits and more focus on health and wellness, consumers' purchase decisions are now being guided by a host of new factors, including value-for-money products and convenience.

INCREASE IN AT-HOME COOKING

At-home cooking and healthy eating have emerged as the key highlights of the pandemic. As per a consumer survey by Schbang, 86% of Indian consumers have learned to cook during pandemic and 81% of consumers have become more conscious of their food intake. Similarly, 63% of global consumer respondents (PwC Global Consumer Insights Survey 2020) are more focused on their diet since pandemic. This has led to a more active participation in grocery purchase and meal planning. This opens an opportunity for larger branded play as consumers seek trusted brands, especially in categories that have till now been dominated by loose/ unorganised players. We have seen double-digit volume growth in Tea and Salt where we have seen proactive shift from unorganised to organised segment during this period. Further, the pandemic has prompted consumers to not only rediscover their culinary roots but also embrace diversity by exploring new cuisines in the kitchen. This is expected to lead to brands taking a higher share of consumer basket by offering multi-cuisine ingredients and value-added products.

Source: Schbang consumer survey, India, 2020

INCREASED FOCUS ON HEALTH AND WELLNESS

Mental and physical well-being has become an important parameter in the lives of consumers. As the pandemic brought on new stress factors and health risks, a greater number of consumers are reassessing their priorities and seeking a healthier lifestyle. Consumers are adopting innovative fitness regimes, developing new hobbies, and reconfiguring their work-life balance. As per a PwC global Consumer Insights Survey 2020, 69% of consumer respondents are more focused on taking care of their health, as a result of the pandemic. Consumers are adopting a holistic approach towards healthy lifestyle.

In addition to staying healthy, consumers are expected to continue to remain watchful on safety and hygiene. 51% of the Indian consumers[1] are paying increased attention to hygienic packaging while purchasing a product. Similar trends have been observed globally, with 49%* of consumer respondents ranking healthcare as most important vs. 19%* pre-pandemic. While the pandemic induced spends and use of hygiene/ safety products is expected to normalise, it will become part of the regular habits of the consumers.

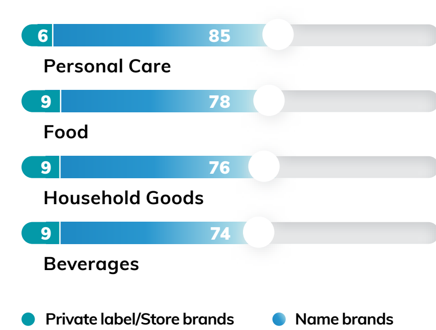
*PwC Global Consumer Insights Survey, 2020

SHIFT TOWARDS TRUSTED BRANDS

While the pandemic saw heightened spending on hygiene, grocery, and household products, this has somewhat normalised as consumers adapted to the new ways of living and the supply chain going back to normalcy. But with the second wave hitting the country and consequent financial insecurity, consumers are reassessing their spending habits. Up to 30% of the Indian consumers[1] plan to lower spending on discretionary goods and increase savings.

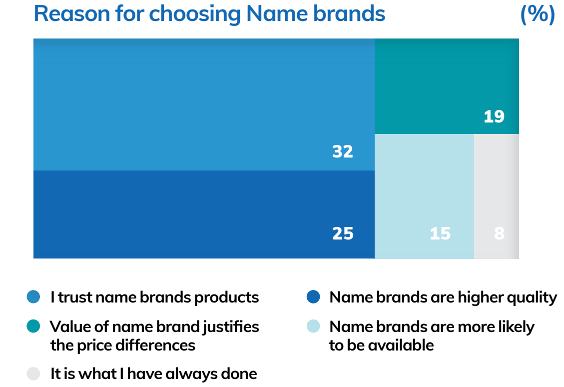
However, consumers are willing to spend more on products that offer quality assurance and convenience. As per Deloitte Consumer Tracker, 78% of Indian consumers preferred purchasing food products of a known brand, as it provided assurance of trust and quality. Similarly, 72% of consumers did not mind spending higher for convenience.

Preference for Name brands vs Store brands (%)



Source: Deloitte Consumer Tracker, India, April 2021

Reason for choosing Name brands (%)



Source: Deloitte Consumer Tracker, India, April 2021

Emerging consumer trends and behaviour

SOCIALLY CONSCIOUS BRANDS GAINING TRACTION

Globally, there has been a shift in consumer attitude from individualism to collectivism. Consumers are expected to be more receptive to brands that demonstrate pro-social behaviour and support local community.

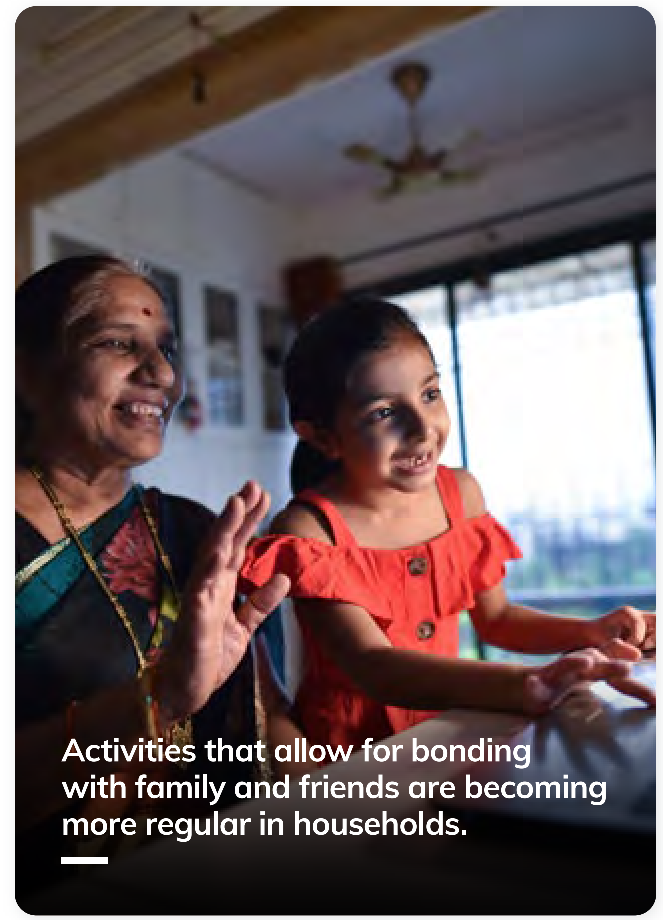
Brands showcasing higher empathy, strong sense of social responsibility and a priority on people over profits are expected to gain preference.

Consumer buying based on company behaviour (% of respondents)

Source: Top 10 Global Consumer Trends 2021, Euromonitor International

EVOLVED ROLE OF FAMILY

The role of family has gained prominence, as consumers spend more time at home. Activities that allow for bonding with family and friends are becoming more regular in the households. Further, there has been a change in the roles of members within a family. For example, there is increased participation by men in the kitchen and higher usage of technology for communication. It will become important for brands to understand the evolved roles as they seek to connect with the individual consumer and the household.



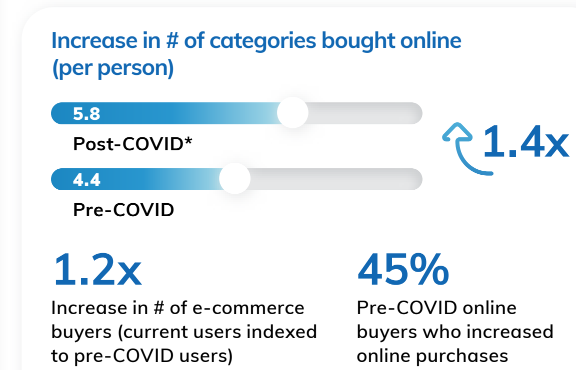
RAPID DIGITAL ADOPTION

The pandemic has accelerated digital adoption by 2-3 years. Consumers have acquired new habits during the pandemic, including shopping online, food delivery and contactless payment. What is even more noteworthy is the widespread adoption of technology across all age groups, demographics and consumer cohorts. 63%* of global consumer respondents are buying more groceries online after pandemic and 86%* of respondents are expected to continue to shop online by phone after the pandemic as well.

Similar trends have been observed in the Indian market with e-commerce adoption accelerating significantly.

*PwC Global Consumer Insights Survey, 2020

Adoption of e-commerce by Indian consumers



Source: BCG (December 2020 report): *Based on an offline face-to-face survey conducted across urban India by BCG in July 2020.

The trend in e-commerce in India is expected to continue and the Indian market size is expected to grow at 30% CAGR[2] to cross USD 110 Billion by FY 24-25. There is also an increased adoption of technology for remote working, learning and consumption of entertainment through OTT platforms and social media. Consumers are expected to continue to embrace technology and cause an overarching shift in consumption and behaviour in the long term.

Source

1. McKinsey & Company, Indian Consumer Survey, 2020
2. Jefferies Equity Research
3. Other sources: Forbes, McKinsey & Company, Deloitte Consumer Survey, Schbang Consumer survey 2020, Euromonitor consumer trends 2021

Strategy framework

Robust strategies to achieve our ambition

We closely monitor and analyse evolving trends to explore opportunities and move swiftly to make the most of them.

	Strengthen and accelerate core business	Drive digital and innovation	Unlock synergies	Explore new opportunities	Create a future-ready organisation	Embed sustainability
	More on p. 34 →	More on p. 38 →	More on p. 44 →	More on p. 48 →	More on p. 54 →	More on p. 58 →
KEY LEVERS	• India – invest behind brands, drive premiumisation, expand distribution and develop alternate channels • International – grow share in non-black tea while maintaining profitability in Black tea	• Embed digital across the organisation to increase operational efficiency • Increase focus on e-commerce • Accelerate innovation agenda	• Integrate Food and Beverages business in India • Common sales platform • Common back end • Integration Management Office (IMO) to project-manage integration and track synergies	• Re-align portfolio based on growth potential and sustainable returns • Accelerate new launches • Explore inorganic opportunities	• Purpose-led organisation • Integrated organisation structure • Harmonised systems and processes • Consistent capability building	• Building a sustainable business for all our stakeholders • Making sustainability strategy an integral part of overall business strategy
KEY ENABLERS	• Enhance marketing efforts to improve brand strength • Significantly expanded direct and total distribution, including a robust rural distribution network • Setting productivity metrices in our S&D network to track performance • Integrated distribution network for all tea brands in the International markets • Dedicated teams for alternate channels – e-commerce, institutional, among others	• Channel partner digitalisation • Embed digital across the value chain to drive insights and analytics • Drive decision-making and efficiencies with analytics (CDO on board and formed Shopper Marketing team) • Investing in e-commerce and digital marketing • Build people capability in multiple domains and encourage entrepreneurial culture, with increased agility	• De-layering of distributor network • Distributor rationalisation and scale through combined F&B portfolio • Efficiencies through scale in procurement and logistics • Replicable model for integration of new acquisitions	• Agility in driving New Product Introductions (NPI) with clearly defined guardrails • Clarity on role for core vs new businesses in the portfolio • Inorganic opportunities that pass through strict strategic and financial filters	• People skill building framework • Strong L&D initiatives • Employer of choice • Benchmarked salary with global FMCG firms • Open culture	• Sustainable sourcing • Climate change management • Water conservation • Circular economy/ Waste management • Community work

Strengthen and accelerate core business

We are strengthening our businesses across geographies. The merger with the Foods business of Tata Chemicals in February 2020 and the change in our ambition marked a strategic shift in our direction.

It is important that we strengthen and accelerate the core businesses we arepresent in, while simultaneously expanding our portfolio.

STAYING CONNECTED TO OUR ROOTS

We are deeply cognisant of the diversity of Indian culture. Tata Tea taps into India's tea drinking habits and our tea blends and hyper-local proposition bolster regional pride and love for the brand through creative campaigns, artistic packaging and celebration of regional art and festivals.

Festive pack collection in Tata Tea across our e-commerce channels for:

- Holi in Uttar Pradesh and Delhi
- Diwali special tin cans for e-commerce (Used Warli, Pattachitra and Phad art forms)
- Baisakhi special packs for Punjab

New packaging for Gemini - Deepening the connect with Telangana as the design draws inspiration from the well known Kalamkari art from the state. The proposition celebrates the never-say-die attitude of the women of the state

TATA TEA

Durga Puja Pack on Tata Tea Gold (Used Patua art form)

Tata Tea Leaf's Chhath Puja festive pack – an ode to the rich culture of Bihar and Jharkhand (Used Madhubani art form)

'Pack of Pride' for Kanan Devan in Kerala – the unique taste that Kerala Loves

'Desh Ka Kulhad' Tata Tea Independence Day campaign to celebrate and support the artisans of India

Strengthen and accelerate core business

Premiumising our portfolio in India

Our efforts to dial up our premium products range and ensure holistic wellness for our consumers translated into the introduction of many innovative product additions across categories.

Beverages

In keeping with our focus on health and wellness in our product portfolio, we introduced new beverage selections, such as Tata Tea Tulsi Green, Gold Natural Care as well as Tetley Immune- Green Tea that comes with added vitamin C.

Foods

We added Tata Rock Salt to the Tata Salt range as part of our value-added offerings. It's a product rich in natural minerals, such as calcium, magnesium and potassium and is sourced from mountains. Tata Salt Lite, which is a reduced-sodium iodized salt, formulated to provide less sodium than regular salt without compromising on taste and Tata Salt Plus, a rich-in-iron alternative were also included in the portfolio.

D2C offerings

We launched two premium offerings through a D2C model- Tata Tea 1868 and Sonnets from the estates of Tata Coffee. Tata Tea 1868 is a range of luxury teas (https://www.tatatea1868.com) and Sonnets by Tata Coffee is a premium Roast & Ground coffee offering (https://tatacoffeesonnets.com). Sonnets was launched to address today's coffee drinkers' growing shift towards more exclusive tastes and rich flavours. The Tata Tea 1868 selection is crafted with the goodness of Darjeeling and Assam based produce and every variant, such as the Mango Mint, Kolkata Street Chai, Achari Chai, has a unique story to tell.

TATA SALT – INDIA'S SYNONYM FOR IODINE

Tata Salt became a co-sponsor for one of India's most recognised shows, Kaun Banega Crorepati, where we promoted the importance of iodine sufficiency (Tata Salt) along with the benefits of other value-added variants — low-sodium salt and rock salt. Tata Salt was accorded India's Most Trusted Brand in a survey conducted by WPP & Kantar's 7th edition of BrandZ Top 75 Most Valuable Indian Brand Ranking. As part of our #SawaalDeshKiSehatKa campaign, we made a TV commercial celebrating the little geniuses who are eternally curious. It drove home the importance of iodine in children's diet. #NamakKeWastey was a unique Tata Salt campaign that encouraged Indians to join the fight against COVID-19. The Tata Salt team also achieved the landmark feat of 1 lakh tonnes of sales per month despite several logistical and labour challenges during the pandemic.

+180 bps*

Market share gain for Tata Salt in FY 20-21

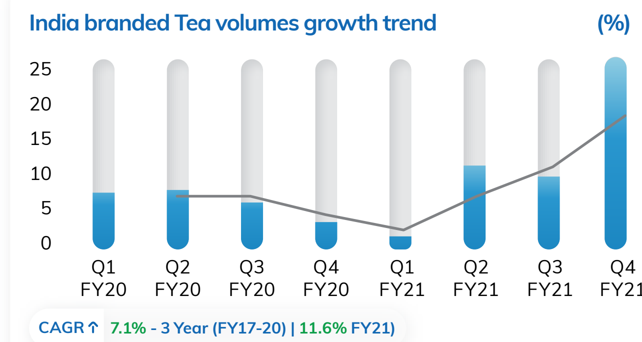
Source: Nielsen Value share, Moving Annual Total (MAT) basis Mar'21 vs Mar'20

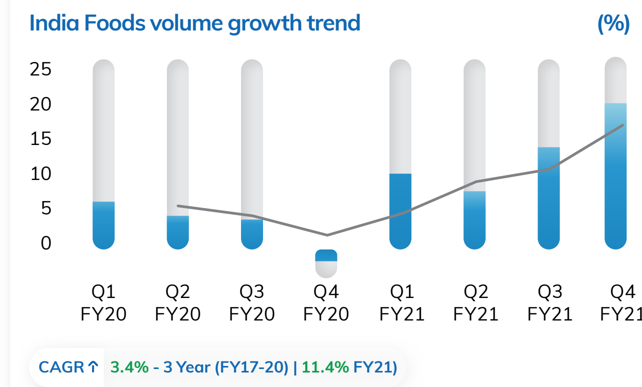
STRENGTHENING OUR COFFEE SEGMENT

Coffee has been given enhanced focus this year, considering its rise as a stable growth engine in our portfolio. We are innovating in this segment to ensure we keep pace with evolving coffee preferences.

A customer-centric campaign on Tata Coffee Grand promotes its singular flavour-locked decoction crystals that condense great taste, aroma and freshness. 'Shik shik' represents the sounds heard when the pack of coffee is shaken. The TVCs capture the sound of great coffee in a pack and celebrates coffee moments. This has been activated across Tamil Nadu, Karnataka and Andhra Pradesh markets.

INITIAL RESULTS OF OUR TRANSFORMATION ARE VISIBLE





DIVESTMENTS OF NON-CORE BUSINESSES

We divested stake in non-core, non-branded businesses in our international markets to enable stronger focus on our branded business. This also enables us to simplify and streamline our operations while enhancing business effectiveness and profitability. Tata Consumer Products in USA divested its stake in Empirical Group LLC and Southern Tea LLC to its JV partner Harris Tea Company LLC, USA. We also divested the Out-of-Home coffee business in Australia.

STRENGTHENING OUR NON-BLACK TEA PORTFOLIO IN INTERNATIONAL MARKETS

In the UK market, we introduced the Tetley Herbals range in keeping with the growing preference for Fruit & Herbal teas. The Good Earth brand unveiled sensorial tea blends and bubbly Kombucha, packed with natural goodness and bold flavours, as the first ready-to-drink (RTD) proposition for Tata Consumer in UK. In USA, we launched a range of premium Tetley Flavors of Britain black tea, resonant of the British tea drinking culture. They were well received by consumers and stocked across key retailers.

We used differentiated advertisements on social and digital platforms. The commercials were also promoted on premium OTT platforms, such as Hulu and Roku with a focus on food network channels and shows. In Canada, we introduced 2 new Super Teas in Tetley this year, Tetley Immune+, a delicious peppermint and ginger herbal blend fortified with Vitamin D and Zinc, and Tetley Sunshine, a lemon and orange herbal blend with Vitamin D. The entire line-up was chosen as 2021 Product of the Year, the world's largest consumer-voted award for product innovation that was established over 30 years ago.

Drive digital and innovation

We are driving digital transformation across the value chain and defining a clear roadmap to simplify and synergise processes.

We have undertaken end-to-end digitalisation of our channel partners and field force and bolstered our capabilities in e-commerce.

We implemented Integrated Business Planning to drive efficiencies in our supply chain. Data driven insights and analytics are other areas of focus for us, going forward.

EIGHT O'CLOCK AND GOOD EARTH TEA NOW ON ALEXA

We enabled information on our brands like Eight O' Clock Coffee and Good Earth Tea in USA on Amazon's echo device, Alexa. The device will allow consumers to make the most of these products with guidance on a selection of recipes and expert tips on brewing, and answers to questions. There's also a special section dedicated to the legacy of the two brands.

LEVERAGING AUGMENTED REALITY TO WIN THE FIGHT AGAINST COVID-19

One of our Tata Salt campaigns, #NamakKeWaastey used augmented reality (AR) to convey an important message through the avatar of Mahatma Gandhi. Users could click on the link and scan any horizontal floor in their house to see an AR version of Gandhi come alive, wearing a mask, and delivering a 30-second message for citizens to join him in a virtual march, similar to the Dandi March, to practice social distancing and abide by the guidelines suggested by the health ministry to curb the outbreak. Users could also take a picture wearing a mask with Gandhiji and share it on their social media handles using the campaign hashtag.

Solid inroads into e-commerce

INDIA

We identified e-commerce as a strategic focus in India and in the past year, worked to enhance people capabilities, process enrichment and system capabilities to drive analytics-based decision-making. We established clear goals with key partners and conducted regular reviews as part of joint business planning process, which achieved 100% growth last year across key accounts.

Performance highlights FY 20-21

- E-commerce contribution to overall sales increased from 2.5% in FY 19-20 to 5.2% in FY 20-21
- Introduced products on e-commerce like Tata Tea Tulsi, Gold Care, Quick Chai, Sonnets from Tata Coffee, Tata Sampann Mixes, Thin Poha, Thick Poha, Pulses Combi packs. New products launched cumulatively contributed 4% of overall e-commerce sales
- Launch of premium coffee and luxury tea range through D2C model

Tata Sampann and Tata Soulfull on e-commerce

- Tata Sampann pulses and besan growth has been led by e-commerce in the last 5 years.
- It is currently the top category in our portfolio in e-commerce channels.
- E-commerce-specific combo packs and cross-category promotions executed in FY 20-21
- Tata Soulfull has a very strong e-commerce reach and is growing rapidly

Strengthening D2C with Nutrikorner

- Consolidated portfolio now on Tata Nutrikorner to enable content to commerce
- Revamped the website with advanced UI/UX and industry-best plugins to enable convenient customer shopping experience and facilitate loyalty programmes, WhatsApp Messenger notifications, among others
- Defined digital acquisition funnel with precision targeting and highly relevant communication
- Integrated plans with top partners like Google to bring in more innovation

Drive digital and innovation

Solid inroads into e-commerce

UK
There has been marked growth in the online channel in UK. For the top 4 grocery e-tailers, ~18% of sales is through online as opposed to only ~10% during pre-COVID times.

Performance highlights FY 20-21

- Tetley is winning online, with 18.6% of all sales happening via online channel compared to overall tea category sales remaining at 17.8%
- Registered 500%+ growth on Amazon.
- Across the top 5 online retailers (including Ocado) we have grown 80% (vs category growth of 70%)

Key launches and activations

- E-commerce-led launch of Good Earth on our D2C consumer website supported by Instagram during the pandemic. This was followed by the launch on Ocado, Sainsburys.com and Amazon
- Launched all new products of Tetley on our e-commerce channels with increased split of online investments.
- Significantly improved our digital shelf presence with SEO optimised content, mobile optimised images and ratings and review campaigns
- Activated 'Search' campaigns, media callouts on 'Favourites', 'Offers' page and targeted e-coupons

EMBEDDING DIGITAL ACROSS THE ORGANISATION

In line with Tata Consumer's ambition to transform into a multi category consumer goods company over the next few years, a roadmap was created to strengthen our digital capabilities. As part of that, we are aiming to embed digital across our S&D system, procurement and supply chain, marketing, innovation and leverage its power to drive further efficiencies in the business.

Sales and Distribution

Implementing sales force automation (SFA) and distributor management system (DMS)

We created a digitally enabled distribution system to connect distributors and field sales force across the value chain on a single, unified interface and capture real-time data from channel partners to drive consumer insights. Some of the other features that we are leveraging include route optimisations, sales analytics and gamified learning and incentive system for our partners.

Procurement and Supply Chain

Improving demand and supply planning with Integrated Business Planning (IBP)

The Integrated Business Planning (IBP) platform is a collaboration platform for stakeholders, which helps address concerns around supply chain strategy and key planning processes around demand, supply, inventory and S&OP.

It drives an improved topline with higher visibility and responsiveness across the value chain and addresses issues like forecast accuracy, customer service, inventory, storage costs, finished goods and packing material availability and stockouts.

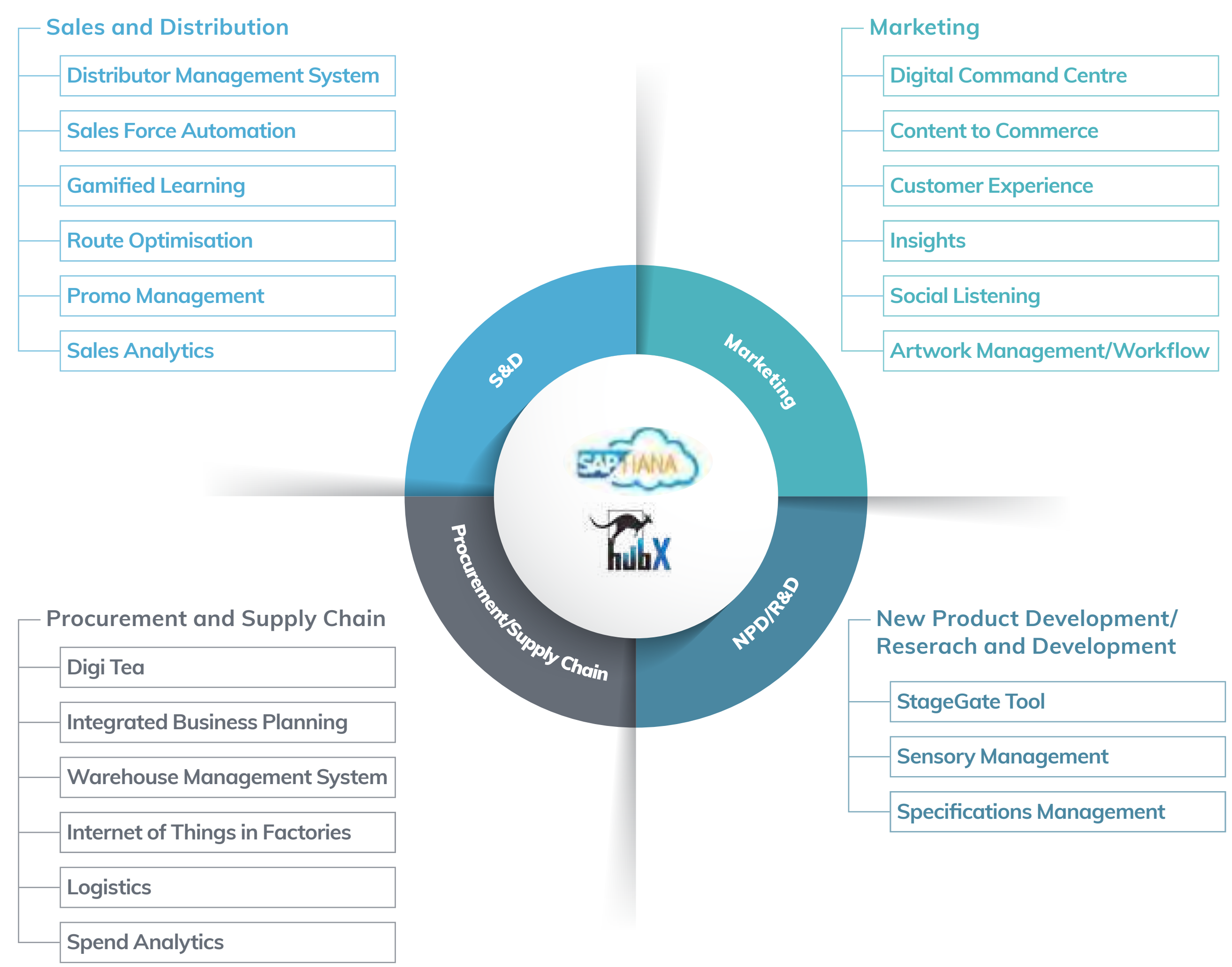
We are working to assess demand in real time and respond proactively and are collaborating with Modern Trade (MT) and e-commerce consumers to improve the ordering process by moving to Electronic Data Interchange (EDI).

Project Concord: Best-in-class Enterprise Resource Planning

This year marks a significant milestone in our digital journey. We started merging our multiple SAP systems, comprising different operating units into a single SAP S/4 Hana platform. This led to the creation of a harmonised global design, which is a key enabler to being able to take up multiple digital growth agendas across geographies. This is expected to bring in significant efficiencies in operations, reporting and business analytics for faster decision-making.

The roll out of the SAP S/4 Hana was completed for our India Food and Beverages business within an impressive timeline of 7 months. The platform integrates the workings of procurement and supply chain as well as Sales and Distribution (S&D) on a single platform.

TRANSFORM DIGITAL CAPABILITIES ACROSS THE VALUE CHAIN

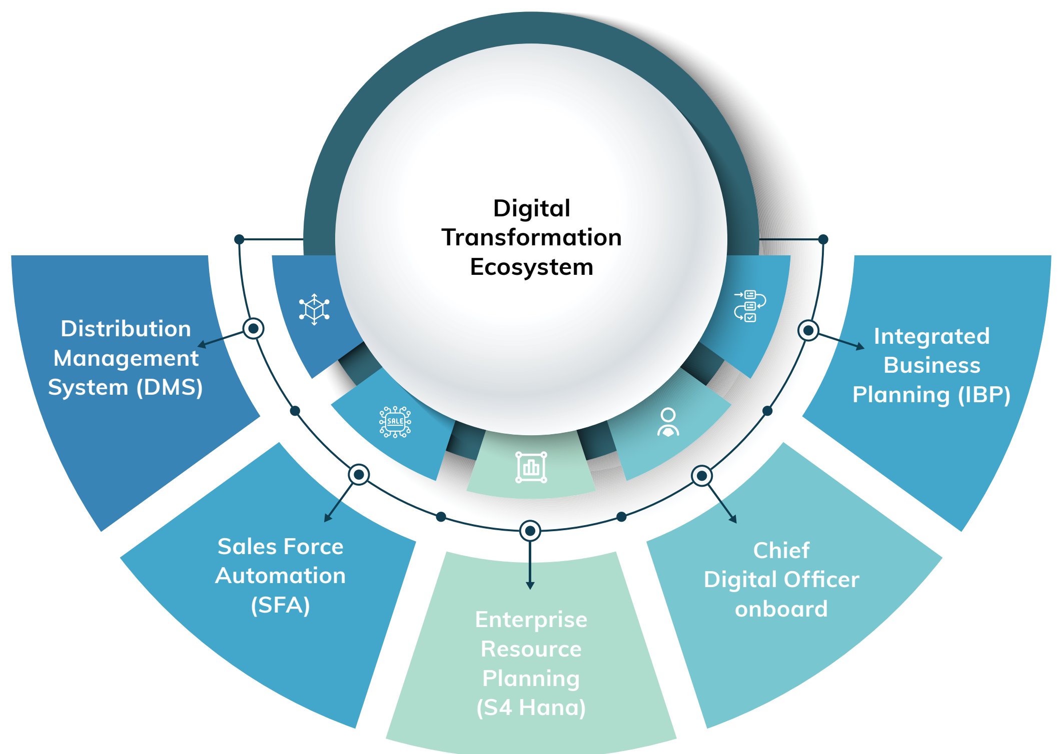


Drive digital and innovation

Marketing
We believe in marketing innovations that drive customer loyalty and brand recall. We are trying to leverage social listening to understand what consumers want and use those insights to delight them. Additionally, we are increasing our efforts in the digital marketing space to build a better connect with the increasingly digitally-savvy consumer of today.

Innovation
Our sharp sensory framework enables us to consistently meet need and demand gaps. An effective Stage gate tool helps us track the progress of the research projects in our portfolio.

DIGITAL TRANSFORMATION ECOSYSTEM



Digital Capabilities

Innovation

Improved sales outcomes	Lower cost to serve	Lower working capital	Improved service level	Lower supply chain costs

STRENGTHENING THE NEW PRODUCT DEVELOPMENT (NPD) PROCESS

We have operationalised the rapid innovation model to accelerate the pace of new launches. This year, we strengthened the NPD process and made progress in terms of new product launches. Going forward, we aim to accelerate the pace of innovation as the building blocks are now in place.

Process transformation

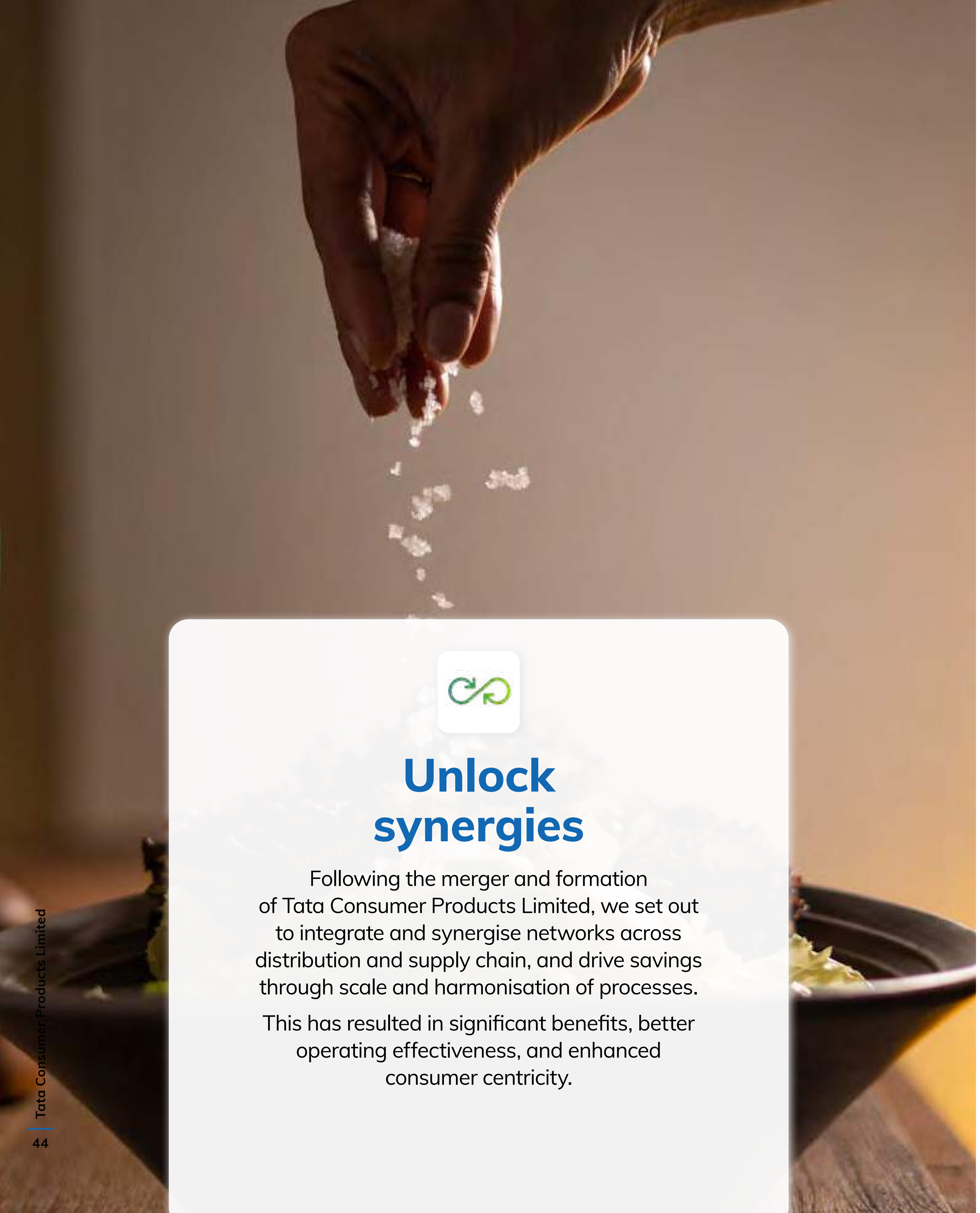
- Revamped stage-gate process benchmarked to best in class in the industry
- Stronger pipeline, higher-frequency reviews (faster decision-making)
- Customised to different types of projects

Better productivity

- Targets set for revenue contribution from NPDs
- Judicious mix of adjacencies and horizon 3 projects
- Investments behind NPDs/ s trategic funding

Speed

- Improve conversion rate (# ideas crossing the funnel/ year)
- Fail fast, fail cheap credo
- Faster scale-up of successful pilots



Unlock synergies

Following the merger and formation of Tata Consumer Products Limited, we set out to integrate and synergise networks across distribution and supply chain, and drive savings through scale and harmonisation of processes.

This has resulted in significant benefits, better operating effectiveness, and enhanced consumer centricity.

THE POWER OF COMING TOGETHER

The merger of Consumer Products Business of Tata Chemicals with Tata Global Beverages Ltd. was completed on February 7, 2020 and led to the creation of Tata Consumer Products Limited (Tata Consumer) with the goal of bringing together two complementary businesses. This transaction offered an opportunity to create a consumer company with enhanced scale and financial strength, best-in-class processes resulting in cost and revenue synergies across distribution, marketing, and supply chain.

MERGER AND FORMATION OF TATA CONSUMER PRODUCTS LIMITED

TATA GLOBAL BEVERAGES: Tea, Coffee, Water and Other Beverages

+

TATA CHEMICALS: Salt, Pulses and Besan, Spices and Ready-to-Cook

Rationale for merger		Synergy/ Benefits
One Mission	Healthy, innovative, India-inspired	Strategic
One Portfolio	Aligned category choices Consistent brand architecture Focused NPD efforts	
One Organisation	Attract superior talent pool Stronger cash flows Lower G&A costs	Revenue
One Distribution	Common distribution Common systems	
One Supply Chain	Improved asset utilisation Lower logistics costs	Cost

Dedicated Integration Management Office (IMO)
A dedicated Business Integration and Transformation team was created to spearhead the integration programme across people, systems and processes. In the first 100 days post conclusion of the merger, all critical decisions across S&D and supply chain integration, process harmonisation, synergy realisation and medium-term growth strategy were taken by the governing committee followed by swift implementation of the agreed plan. Though there were several challenges to drive an integration of this magnitude and complexity in the midst of a global pandemic, dedicated change management and robust progress monitoring enabled a successful integration. The team continues to work on critical transformational initiatives in addition to ensuring successful integration of newly acquired businesses.

Unlock synergies

Integration milestones

Key focus area	Objective	Achievements
People	Create future-ready organisation structure with aligned JDs, KRAs and KPIs*	Rolled out an organisation structure to serve combined business across levels and functions within 3 months of integration
Process	Harmonise all operating process for reduced complexity and drive digitisation with best-in-class practices	Harmonised **100+** process across all functions • **100%** digitisation for feet-on-street • Channel partner digitisation completed for 100% of direct distributors
Financial Value	Design and build multi-category route-to-consumer	**30% increase** in direct coverage **35%** increase in feet on street in urban **3x** in rural **1,500+** consolidated channel partners selling the combined F&B portfolio
	Optimise supply chain	Consolidated Carrying and Forwarding Agents (CFA) operations and primary and secondary logistics
	Increase revenues and reduce costs due to synergy and scale benefits	On track to deliver committed pre-tax synergies of Rs.100-150 Crores in 18-24 months

De-layering and optimisation of S&D network	Superior terms of trade with channel partners	Supply chain opportunities	Scale efficiencies in marketing/packaging

*JD- Job description, KPI - Key performance indicator, KRA - Key result area

In less than a year, we have put in place a new organisational structure, adopted best-in-class systems and processes across functions, built stronger route-to-market and supply chain capabilities. We have also created a long-term growth plan and multiple initiatives are underway to realise the vision.

Transforming the sales and distribution value chain

We have set out to create an end-to-end digitally enabled integrated distribution system. Our efforts also include initiating multilingual technical training programmes to ensure convenient adoption and usage across channel partners and sales teams.

What are we looking to achieve?

- Connect distributors and field sales force seamlessly across the value chain
- Capture real-time data from channel partners and move towards an integrated interface for sales stakeholders
- Enable advanced analytics for data-driven decision-making
- Create an efficient and informed sales value chain

Progress highlights

- Over 6.5 lakh outlets billed directly +30% YoY
- For Tea category, our numeric distribution rate moved from 34.5% to 39.8% between March 2020 to March 2021
- 3x increase in rural feet on street
- Dedicated teams are in place to service institutional channels, Modern Trade (MT) and e-commerce

India integration update – S&D impact

Numeric distribution

+15% increase — Tea

+11% increase — Salt

Direct coverage

On track for **1 Mn** by Sep 21

30%

3x TSOs*

2,000+ #Rural distributors

* Territory Sales Officers

E-commerce contribution (% of sales)

FY 20: 2.5%

FY 21: 5.2%

Market share

+190 bps Tea

+160 bps Salt

Channel growth

+31% Modern Trade

+130% E-commerce

All numbers are for FY 20-21 vs FY 19-20, unless specified otherwise.
Source: Nielsen – Value share, MQ'21 vs MQ'20

Dedicated Sales teams

E-commerce | MT* | Institutional | GT#

Shopper Marketing

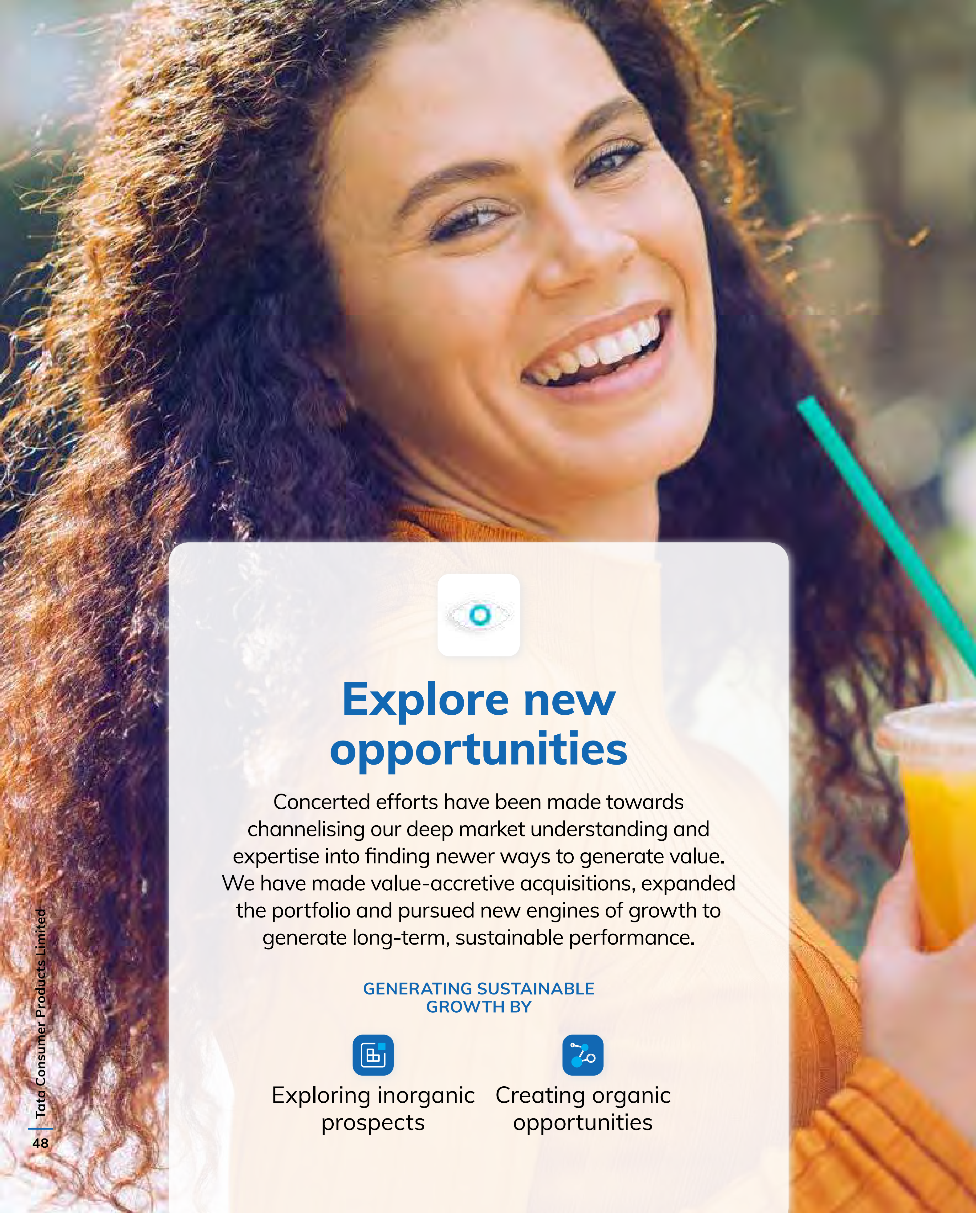
* Modern Trade | #General Trade

ENABLING LOGISTICS SYNERGIES IN INDIA-INTEGRATING THE REGIONAL CFAs

The Foods and Beverages CFA network was studied in order to understand how the two networks could be brought together with minimal disruption. The CFA network was successfully integrated in April this year. This brought about a cost reduction in secondary freight and optimised the supply chain network for further synergies.

41% ↓

Rationalisation in Carrying and Forwarding Agents (CFAs)



Explore new opportunities

Concerted efforts have been made towards channelising our deep market understanding and expertise into finding newer ways to generate value. We have made value-accretive acquisitions, expanded the portfolio and pursued new engines of growth to generate long-term, sustainable performance.

GENERATING SUSTAINABLE GROWTH BY

Exploring inorganic prospects

Creating organic opportunities

EXPLORING INORGANIC PROSPECTS

Bringing NourishCo into our fold

In May 2020 we acquired PepsiCo's stake in NourishCo Beverages Limited, which was a 50:50 JV between Tata Consumer and PepsiCo. This move is consistent with Tata Consumer's focus on widening its portfolio in the Food and Beverages space.

Over the last decade, NourishCo has focused on building brands in the healthy hydration space and has Himalayan mineral water, Tata Gluco Plus and Tata Water Plus in its portfolio. These brands have been crafting their models which are now ready for deployment on a wider scale. Over time, Tata Consumer intends to multiply the capabilities acquired and the brands it now has, to give wings to its ambition in the value-added liquid beverages space in India.

Multiple consumption occasions with Tata Soulfull

We completed the acquisition of Kottaram Agro Foods, owner of the brand Soulfull in February 2021. It is a brand dedicated to making ancient millets relevant to the 21st century consumer. The company has now been re-named to Tata Consumer Soulfull. Tata Soulfull operates in the health and wellness focused food segment with a portfolio of millet-based products for kids and adults. It is among the fastest growing in India's 'better for you' packaged foods market.

Uncovering the goodness of millets

Millets or ragi is believed to be a 4,000 years old crop that is an excellent addition to one's diet because of it nutritional value, which is more than most common cereals. The protein content in millets is a rich source of sulphur, amino acids and calcium. Its intake facilitates healthy growth of body, maintenance of blood sugar levels, among other physical benefits. Millet is a 'good for everyone' product, which means its nutritional value benefits consumers; its ability to survive with less water and grow using minimal fertilisers, benefits the planet; and yield potential helps farmers.

The growth strategy

At Tata Consumer, we are optimistic about this acquisition because it enables us to expand our product portfolio into the fast growing 'on-the-table' and 'on-the-go' categories. We also anticipate significant synergies with our existing businesses in areas spanning distribution, procurement, and logistics.

Explore new opportunities

CREATING ORGANIC OPPORTUNITIES

Our Tata Sampann brand has been built on the promise of wholesome nutrition and natural goodness. We further expanded our portfolio into the health and wellness space to cater to evolving consumer needs.

The Tata Sampann portfolio includes pulses, spices, besan (gram flour), poha (flattened rice) and ready-to-cook offerings. Over the last year, the brand has accelerated its pace of innovation and launched various impactful campaigns to reinforce the brand promise of 'wholesome nutrition'.

Promoting wellness with Tata Sampann
Thoughtful campaigns across this category helped us clearly communicate the health and wellness proposition that the brand stands for.

#Spiceupyourhealth
The campaign was centred on the brand proposition of spice with natural oils intact. This campaign focused on the benefits of healthy spices in one's diet. The sustained integrated media efforts resulted in the brand recording an upward trend through the year with 2x improvement in brand health

#BeatTheLockdown
The lockdown challenged all of us in many ways. In collaboration with a panel of experts, Tata Sampann, came up with a programme to help consumers manage these challenges better. It included nutritionist tips, a yoga coach and support from a clinical psychologist.

#SampannPoshanthali
The campaign celebrated our humble and hearty home food and was received with love by social media users, including health advocates, bloggers, and influencers, with people all over the world posting pictures of their #SampannPoshanthali and tagging the social handle of Tata Sampann.

Expanding our Nutrimixes range
There were multiple new product developments within the Nutrimixes range during the year.

- Ragi Dosa Mix (Millet pancake mix) is made using Ragi along with urad dal, rice and chana dal to give consumers the right balance of taste and nutrition
- Ragi Idli Mix (Millet dumplings mix) is a powerhouse of nutrients with its sulphur rich amino acid, high fibre and protein content
- Easy-to-cook and nutritious Masala Daliya Khichdi Mix (Indian porridge) that comes with the goodness of daliya and dals, as a good source of protein, accompanied with a special seasoning sachet to offer a flavourful twist
- Khaman Dhokla Mix (Chickpea steamed cakes) made of unpolished chana dal (pulse) to help consumers make fluffy and spongy dhoklas and benefit from the goodness of protein in the dal
- Haldi Doodh Mix (Flavoured turmeric milk powder) was introduced in two variants with cardamom and pepper as well as ashwagandha and mulethi – all traditional herbs known to offer a wide variety of health benefits, including enhanced immunity
- High Fibre Thin Poha (flattened rice) made from quality paddy is a rich source of fibre and protein

Explore new opportunities

Tata Starbucks- Innovation in format, offerings, campaigns and people initiatives

Tata Starbucks added 39 new stores to its portfolio this financial year, which is among the highest ever since their launch in India. The brand announced the launch of the 200th store in Amritsar in October 2020 and ended the year with 221 stores across 18 cities. The brand entered seven new cities (Lucknow, Amritsar, Kochi, Ludhiana, Bhopal, Indore and Kanpur) and opened its first Drive Thru store in Zirakpur, Chandigarh.

The My Starbucks Rewards (MSR) customer base witnessed a growth of 18% over last year and now boasts of a loyalty base of 9 Lakh+ customers.

Tata Starbucks focused on innovation, digital initiatives and deepening customer connections to navigate this pandemic and make the Starbucks experience as personalised as ever. Among its recent innovations are a Mobile Order and Pay service, a coffee subscription model, new product offerings, exciting collaborations and impactful social media campaigns.

Tata Starbucks joins hands with Chef Sanjeev Kapoor

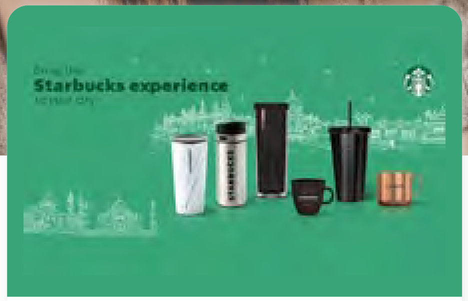
We announced the launch of the limited-edition menu curated by celebrity chef, Sanjeev Kapoor in partnership with Tata Sampann. The special edition menu featured a range of delicious food items handcrafted with quality ingredients, offering various global classics with a local Indian twist. The limited-edition menu included five delectable dishes namely Turmeric Brioche with Makhani Dip, Chole Paneer Kulcha, Bhuna Murgh Pie and Masala Chicken Croissant.

7 All Women Stores

In keeping with our efforts to ensure a more equitable and empowered way of life for women, Starbucks launched 7 All Women stores in India run by female partners, setting an example within the industry. This helps create more meaningful opportunities for women in leadership within the company and is an important part of the brand's efforts towards achieving 40% gender diversity by the end of 2022.

Drive Thru

At Tata Starbucks, we launched our first ever Drive Thru store at Zirakpur (Chandigarh-Ambala highway) in India. The launch showcased our commitment to evolving our brand and business model to provide new and meaningful experiences to our customers.



E-commerce

Starbucks partnered with Flipkart to provide its merchandise beyond cities it is present in. Customers across India were given an opportunity to order exclusive and authentic Starbucks merchandise.

Starbucks brand film

Starbucks launched a touching film titled 'A feeling called Starbucks' across its social media platforms, celebrating human connections and representative of emotional bonds. Grounded in the brand's mission to 'Inspire and nurture the human spirit', the film highlights feelings of joy, familiarity, a culture of warmth and belongingness to create an immersive Starbucks experience. The film garnered over 10 Million views.

Create a future-ready organisation

During the year we underlined a four-pronged approach to building a future-ready organisation. It entailed a restructuring and re-alignment of organisational functions, strengthening of business capabilities, harmonisation of systems and processes and becoming a purpose-led organisation where everyone works with a unified vision.

ON TRACK TO BUILDING A FUTURE-READY ORGANISATION

- Integrated org structure
- Capability building
- Systems and processes harmonisation
- Purpose led organisation

- R&D Structure and Resources
- Shopper Marketing
- Talent in E-commerce
- Dedicated Integration Management Office
- Chief Digital Officer
- Revenue Management
- Dedicated Investor Relations

INTEGRATED ORGANISATION RESTRUCTURE

Through the organisation re-design, we created building blocks for a multi-category presence. This means that we leverage a common frontend and a common backend to gain synergy benefits across categories. This structure has been crafted to enable future readiness, so that any new categories we add on can make the most of the common infrastructure.

Approach

Tata Consumer's reorganisation was focused on the dimensions of Organisation, People and Process.

	Organisation	People	Process
Ambitions	• A future-ready and efficient organisation • Readiness for multi-category play • Drive cost and revenue synergies	• Lean and streamlined organisation structure • Aligned JDs and KRAs/ KPIs • Harmonised ways of working • Continuous engagement and communication	• Harmonise processes across operating functions in Foods and Beverages • Transform key processes to make them future proof
Guiding Principles	Ensure minimal disruption and design for future, while continuing to operate as per agreed annual plan	Keep people front and centre through the process, engage continuously to keep morale high	Reduce complexity, cross-pollinate best practices while preserving uniqueness where needed. Keep adequate focus on digitisation

Create a future-ready organisation

STRENGTHENING CAPABILITIES ACROSS FUNCTIONS

While crafting the new organisation design, we focused on building for the future. This meant that we identified key capabilities that we needed to acquire or strengthen in order to become best in class.

Chief Digital Officer

This year saw us bringing on board T. V. Swaminathan as our Global Chief Digital Officer (CDO) to the Executive Committee. He is responsible to chart out and help execute a digital roadmap. He is also focusing on strengthening our analytical capabilities and IT infrastructure.

Shopper Marketing

The function is dedicated to crafting go-to-market strategy, while executing and tracking business plans. It represents the sales function in Integrated Business Planning and centrally runs the entire sales activity calendar. The function is responsible for channel loyalty programmes, field-force effectiveness/ productivity programmes and sell-out activations to aid offtake.

R&D

We re-organised the structure with focus on four key pillars – category-centric R&D verticals, scientific research, analytical services and global packaging to drive future innovation pipeline. The key focus for R&D is to deliver innovative products with stronger nutritional claims or which are new to market, across business categories.

E-commerce

We enriched the distribution channel with a potent mix of in-house and experienced professionals from the industry to sharply focus on customer, category, digital reach and serviceability.

Revenue Growth Management

The RGM organisation works closely with functions, such as Brand, Sales and Finance to leverage analytics in discerning customer perception of product value and then sense, predict and shape the consumer's path to purchase, by optimising product, assortment, price, place, pack, promotion and availability.

Investor Relations

We have a dedicated Investor Relations vertical to provide best-in-class transparency, communication and two-way engagement between the Company and our investors. The vertical acts as a conduit to keep investors updated on key business, strategic and financial developments regularly, and in turn collect their feedback and communicate it to relevant stakeholders within the organisation.

The making of our largest packing plant

The tea packaging unit of Tata Consumer Products, located in Gopalpur Industrial Park of Tata Steel Special Economic Zone, will soon start commercial production. Constructed over an area of 16 acres, with a Rs. 100 Crores investment, the unit has an annual production capacity of 60 Million kgs. Production has commenced at the unit. It will be operated by M/s Amalgamated Plantations Pvt Ltd. (APPL), an associate company of Tata Consumer Products.

Spanning 16+ acres, the plant comes with integrated production and warehousing facilities as well as future expansion capacities of ~1.25 Lakh sq. ft. It will be the largest tea packing plant for our products, and the first to pack both leaf and dust variants, thereby providing higher flexibility to the network. State-of-the-art packing machinery and Internet of Things (IOT) configurations enhance operational efficiency while one of the largest solar power units in the network aligns with our sustainability agenda. The factory will generate employment for ~250 people in the first year.

60 Mn Kgs
Annual production capacity

16+ acres
Packing plant with integrated production and warehousing facilities

ENABLING A HIGH-PERFORMANCE CULTURE

Employees are at the heart of our journey and their development is integral to our progress. During the year, we put in place the following motivators for our employees to focus on their professional development amid the pandemic.

- A robust learning and development platform to enable employees to continually develop skills that would be relevant for today and the future
- Best-in-class recognition programmes to appreciate good performers in a wider forum
- Recognising the top 5% of employees every quarter through a medium called Great Job Café that provided an opportunity for interaction with the leadership team

How Tetley managed to keep shelves stocked in UK during demand uncertainty

The last year was a lesson in the importance of planning ahead for businesses. As a far-sighted organisation, our efforts to ready ourselves to meet future challenges was in full swing before the pandemic even hit. We leveraged the findings of an ongoing study to keep Tetley products stocked on shelves across UK during the pandemic. Read about this strategy below.

Challenge

Manufacturers often strive for high levels of asset utilisation to maximise return on their capital investment. This results in assets running harder in the short-term and being left with little capacity in case of sharp spikes in demand. This hinders the ability to deliver on time, in full to the customer at the lowest operating cost, in a sustainable and responsible way. Promotional strategies, such as Buy-One-Get-One (BOGO) distort the demand signal, making it less predictable. Larger buffers need to be put in place to ensure that customer demand can be fulfilled. Understanding demand patterns for individual products and the commercial strategies that drive them (demand profiling) is an essential aspect of supply chain management. The need was to find an approach that was tailored to our business and customer needs.

Solution

We undertook collaborative research and explored different configurations to optimise the supply chain through buffer management by examining the trade-offs between inventory and capacity buffers and the alignment of buffers with commercial strategy.

Using sales and stock data, product demand profile was analysed at a stock keeping unit level. Models were developed, which tested different configurations of supply chain, stock level and investment. They identified an optimal level of utilisation that would keep the business competitive, while allowing spare capacity to deal with fluctuations in demand. When panic buying, triggered by the COVID-19, resulted in a huge demand wave for tea in supermarkets, we could respond with agility to the rapidly shifting market conditions and gain competitive advantage.

Outcome

We were able to deliver 35% surge capacity to supply our customers and consumers and keep the UK drinking tea. Putting the strategy to application, we had spare capacity, optimal stock levels and a highly flexible and committed workforce who could transfer their skills to multiple lines. This helped us take the lead in market share during this period, demonstrating how a flexible supply chain helps build competitive advantage and future readiness.

Embed sustainability

We are working towards all-round sustainable performance and have instituted programmes and initiatives towards sustainable sourcing, natural resource management, climate leadership, circular economy and community development.

FOUR KEY PILLARS OF OUR SUSTAINABILITY STRATEGY

For Better sourcing | For Better planet | For Better communities | For Better nutrition

FOR BETTER SOURCING

Follow the Frog

Tetley in international markets is committed to sustainable sourcing of its tea through 100% Rainforest Alliance certifications. Tetley launched a consumer social media activation campaign 'Follow the Frog' in September 2020 that resulted in over **500,000 impressions.**

Driving sustainability and promoting grower welfare with trustea

We are among the founding members of trustea, India's Sustainability tea programme, that has sustainably transformed over 650 Million kg or 50% of India's tea. It has been instrumental in disseminating sustainable agricultural practices to over 600,000 tea workers and 50,000 small tea growers; making it one of the largest programmes worldwide.

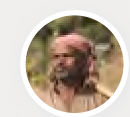
Tea being one of our core businesses, we are committed to building a secure supply chain ecosystem. With the help of technology and stakeholder partnerships, we strive to implement best sourcing practices, keeping the environment in mind. Our association with the programme has made a positive difference in the lives of the tea-growing communities that have been touched by the programme.

Rooted in Responsibility - Eight O' Clock Coffee, USA

This initiative furthers our commitment to the environment, our farmers and our customers. Through partnerships with different coffee organisations, we hope to support the coffee farming community. Our goal is to help improve the quality of life for all people involved in the coffee supply chain.

"From bean to cup" starts at the farm and farmer.

"During our 4-year association with trustea, we were trained on diverse agricultural practices for tea cultivation and imparted knowledge on banned and prohibited agrochemicals. We maintain a 'Farm Diary' introduced by the trustea programme to record farm-related details, such as green leaf production, chemicals, fertilisers used, among others. With the continuous support and training given by the trustea IPs, we have successfully been implementing sustainability practices on our farm."



Gogon Gogoi
Small Tea Grower (STG) associated with Lekhapani Tea Company, a unit of DPG Group

Our sourcing practices in the tea industry were acclaimed by CII Food Future Foundation (FFF) with a National Award for Sustainable Sourcing 2020.

We won the award for 'Outstanding Performance' in the category of 'Sectoral Value Chain on Tea'.

Rooted in Responsibility is a trademark of Eight O'Clock Coffee.

Embed sustainability

FOR BETTER PLANET

Sustainability leaders in CDP India 2020 Climate Change Report
We have been recognised for our actions towards protecting the environment and preventing climate change across the globe by CDP India 2020 Climate Change Report for the second consecutive year. Tata Consumer Products received an A-, putting us in CDP India's leadership band.

During the year, our performance was better than last year across domains of governance, business strategy and emissions management. Over the years we have undertaken several Green House Gas (GHG) emission reduction initiatives, including investments in renewable energy and energy efficiency.

CDP

We are amongst 27% of companies that reached Leadership level in the Food & Beverages Processing group globally on the CDP Index 2020

Project Jalodari
Our flagship water management programme is aimed at creating sustainable water sources, building and enhancing water capacities and strengthening sanitation in the communities where we operate. We partnered with Tata Trusts and Tata Water Mission on Water and Sanitation (WASH) projects in Himachal Pradesh and Assam to benefit over 25,000 community members.

100%
Of roof area at India Tea packeting units covered by rainwater harvesting structures

Commitment to circularity
It is important for us to create closed loops through sustainable packaging, extended producer responsibility, zero waste to landfill programmes and waste management. This helps us offer better customer experiences, enable process efficiencies and pave the way for a healthier environment.

We are working to optimise consumer packaging, make efficient use of resources and reduce environmental impact without compromising on product quality and safety. Our beverages production facilities globally are zero waste to landfill. Waste is disposed through authorised vendors who recycle or repurpose them.

- We are in the process of implementing recyclable packaging for Tata Salt and Tata Tea brands
- We are looking at maximising the reuse of secondary packaging for resource efficiency
- During the year, we achieved plastic neutrality through our Extended Producer Responsibility (EPR) plan for the collection and disposal of 100% plastic packaging waste on a brand neutral basis in India
- We are sending plastic waste for recycling or co-processing in cement and power plants as an eco-friendly substitute for fossil fuels
- We continue to raise awareness on waste management among employees through 'Swachchata Hi Seva' (Cleanliness is service) volunteering

71%
Recyclable packaging for Tata Salt - FY 20-21 exit

100%
EPR achieved in FY 20-21

All
Our beverages production facilities globally are zero waste to landfill since 2019

Making good change happen, globally
We are part of the UK Plastics Pact, a collaborative initiative between UK businesses across the plastics value chain, the UK government, and NGOs to create a circular economy in plastics. We are working to replace non-recyclable laminate for a more sustainable alternative for Tetley tea bags in the UK to ensure easy recycling. As part of the FY 21-22 mission, we are working to transition 200 lines and 9 Billion Tetley tea bags into renewable packaging. This will mean 97% of all UK packaging will be renewable, recyclable or compostable by 2025.

Embed sustainability

FOR BETTER COMMUNITIES

Improving Lives programme in Assam by UNICEF and ETP

The UNICEF – ETP Improving Lives programme aims to tackle the systemic issues affecting women and children in 200+ tea estates of Assam, which is over one-fourth of formal tea estates in the region. The project has expanded to education, health and nutrition, and water & sanitation challenges. Adolescent girls have the knowledge, skills and confidence to make informed decisions about their future. Through this programme 26,000 adolescent girls and 5,000 adolescent boys have been equipped with life skills through meetings and awareness drives. During the pandemic, the programme promoted safe sanitation practices through 'Swachcha Bharat Mission' along with capacity building activities for frontline and sanitation workers of health care facilities. UNICEF collaborated with the District Administration in Dibrugarh, the Education Department and Radio Brahmaputra 90.4 FM on an innovative programme called 'Radio Parhasali' for continued education for children during the lockdown.

Early childhood development programme

Our global tea brand, Tetley in the UK pledged £650,000 to UNICEF UK to implement an early childhood development programme in and around targeted tea estates in the Thyolo and Mulanje districts of Malawi, a region identified by UNICEF to have the greatest need for early childhood support services. As part of the programme, two Early Childhood Development Centres will be built on select tea estates in the region.

The Centres are focused on offering nutritious food, early years education and opportunities for stimulating play. The Early Childhood Development Centres will be run and managed by caregivers from local areas recruited and trained by UNICEF. This partnership has the potential to benefit ~2,000 children and 6,000 people, including pregnant and lactating women, parents, caregivers and adolescent mothers.

£650,000
Pledged to UNICEF UK to implement an early childhood development programme by Tetley UK

6,000
Beneficiaries of Early Childhood Development Centres, including children, pregnant and lactating women, parents, caregivers and adolescent mothers

FOR BETTER NUTRITION

For Better Nutrition

Tetley Green Tea Immune – India
Tetley Green Tea is an excellent source of antioxidants, known to have various health benefits, and now with the added Vitamin C, it supports the immune system too.

Tetley Super Teas
As a leading player in the tea industry, we responded to the growing trend of tea being promoted as a healthy drink by launching Tetley Super Teas, with different vitamins and minerals, aiding health concerns like fatigue, digestion, among others.

Tata Gluco Plus
This is an on-the-go, glucose-based re-hydration solution that offers the benefit of glucose, electrolytes and iron to provide instant energy to consumers.

Tata Soulfull Ragi Bites & No Maida Chocos
Tata Soulfull's flagship product Ragi Bites is made using dal and a chocolate filling. It comes with the goodness of 7 super grains and delicious chocolate for an easy, tasty and nutrient-rich breakfast for children.

Tata Salt Plus
Tata Salt Plus is India's first iron-fortified, iodised salt that provides up to 50% of recommended daily allowance of iron. The product formulation was developed to address the iron deficiency concern in India.

Tata Sampann Khaman Dhokla
Tata Sampann's Dhokla Mix is made from unpolished chana dal besan, which is high in protein content and is a perfect choice for breakfast or evening snacks.

Tata Sampann Ragi Mixes
Tata Sampann's Ready-to-Cook Supergrain Ragi Idli Mix brings the goodness of millets, which is a powerhouse of nutrients and rich in sulphur, amino acid, fibre and protein.

Tata Salt Lite
Tata Salt Lite, a low-sodium salt, specially formulated to provide 15% lower sodium than regular salt, was launched to manage hypertension, without compromising on the taste of food.

COVID-19 Response

Navigating the crisis with resilience

Our proactiveness in conceiving solutions to meet market uncertainties and an opportunity to contribute meaningfully to those in need kept us resilient in the face of the pandemic. We have incrementally stepped up our plan of action against the pandemic since last year to respond as circumstances demand.

KEEPING UP OUR EFFORTS FROM LAST YEAR

Safety and well-being initiatives with flexible work model for our employees

Partnering the government, business and channel partners to connect consumers with essentials

Keeping our factories operational at capacity to meet the needs of consumers

Conceiving innovative marketplace models

Making contributions and aiding essential workers and the community

LEVERAGING THE POWER OF DIGITAL FOR SMARTER INVENTORY PLANNING

During the pandemic, we launched the SupplyVue tool, which helps the Eaglescliffe and Canadian teams achieve over 30% reduction in stock and over 99% service levels to Canadian customers. SupplyVue is a business process innovation that aims to optimise the farm-to-table journey by using analytics for better visibility, planning, and stability. It helped us avoid the bullwhip effect of panic buying common among consumers during the COVID-19 outbreak.

SupplyVue
is a business process innovation that aims to optimise the farm-to-table journey by using analytics for better visibility, planning, and stability

99%
Service levels to Canadian customers with over 30% reduction in stock, aided by SupplyVue

DISTRIBUTION AGILITY DEMONSTRATED DURING THE PANDEMIC

We have shown agility in finding ways to serve the consumer and reach them in their hour of need with strong distribution capabilities.

- Through direct delivery to customers, we mitigated bottlenecks in UK's retail distribution
- Partnered with Flipkart, Zomato and Domino's Pizza in India for innovative distribution solutions
- Launched D2C brands in the Premium Beverages category in India

PRIORITISING EMPLOYEE WELL-BEING

We also supported our employees, giving them a sense of belonging and security amid the challenging time. Considering the challenges of new ways of working, we undertook several initiatives to ensure physical, mental and emotional well-being of employees at the frontline and those working from home. The multi-pronged approach included the following initiatives across geographies:

- Introduced BEAM, an employee assistance programme for the India business and made 24X7 counselling service available at our touchpoints and factories
- Launched a 12-week Digital Health Challenge to encourage physical activity
- Introduced 'Let's Chat', an informal means of engagement to build a stronger connection with the Direct Reports of our leadership team
- Extended medical insurance to cover COVID-19 for our broader ecosystem in India – third party service providers, distributors and their employees and several others
- For employees on field or in operation roles who travelled to markets or factories regularly, the highest levels of safety protocols were followed

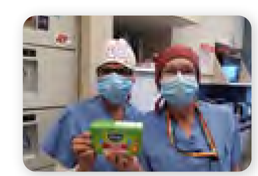
COMMUNITY DEVELOPMENT CAMPAIGNS AROUND THE PANDEMIC

Partnered with HelpAge India in the Iss Baar #BaadonKeLiye #JaagoRe campaign to provide 5,000+ monthly ration kits across India. We also conducted awareness sessions at designated sites for disadvantaged elderly beneficiaries and distributed 5,000+ breakfast meals in Bengaluru

Tata Sampann launched #HarDinHaldi campaign to promote the immunity boosting benefits of turmeric during the pandemic

In the UK, we donated £150,000 to support the wider grocery industry and 1.5 Million people who were identified as the most vulnerable in the UK received Tetley tea as part of the UK Government's weekly DEFRA (Department for Environment, Food and Rural Affairs) care packs

In the US, Eight O'Clock Coffee donated free coffee to grocery store workers during the early stages of the pandemic to appreciate frontline retail workers through #GroceryStoreHero



In Canada, 30,000 samples of refreshing Tetley tea were included in curated care packs for 13,000 nurses in Ontario

Stakeholder engagement

Collaborating for inclusive progress

Staying cognisant of what is expected of us as industry leaders is one of our long-standing business priorities. We encourage productive dialogue with our stakeholder groups to identify their interests and meet their expectations. This approach has helped us build trust and ensure lasting bonds.

CONSUMERS

As a consumer-centric company, our ability to meet fast evolving consumer needs is a priority. Delivering quality experience and expanding our consumer base is key to our success and growth.

Engagements in FY 20-21

- Focused group discussion and interviews
- Digital platforms
- Market research

Expectations they harbour

- A mix of tasty and healthy products
- Convenience
- Responsible and inclusive marketing
- Sustainability credentials
- Value for money

Focused response

- Broad portfolio with ample choices across categories
- Innovation to deliver on health, wellness and convenience
- Creative and informative advertising and marketing campaigns
- High-quality manufacturing, sourcing and environmental standards
- Products available at multiple price points and offering tangible value

Risks we combat

- Product contamination or quality control concerns
- Inability to develop, commercialise or deliver new products

PEOPLE

Our people, their ideas and their passion are the key forces driving our company's forward trajectory. Their dedicated approach and winning mindset bring our ambitions to life.

Engagements in FY 20-21

- Company-wide employee engagement surveys
- Developed informative and up-to-date employee communication channels
- Arranged regular interactions with the C-suite
- Town halls
- One-on-one performance reviews
- Various learning and development initiatives

Expectations they harbour

- Health, safety and well-being
- Growth through learning and development opportunities
- Sense of belonging and purpose
- Diversity and inclusion

Focused response

- Effective safety protocols and favourable policies during the pandemic
- Consistent talent and performance management programmes and upskilling trainings. Additionally, opportunities for online learning
- Open and transparent work culture
- Employee interest groups, more women on the workforce and a greater inclination towards engaging the non-executive workforce

Risks we combat

- Lack of motivation, retention and engagement
- Injuries or deaths at the workplace
- Geo-political tensions

Stakeholder engagement

COMMUNITIES

The true mark of a successful business is in its ability to create meaningful change in the communities under its influence. For us shared prosperity is paramount, and we make sustained efforts in creating resilient communities.

Engagements in FY 20-21

- Community investment programmes like Early Childhood Development Programme, Project Jalodari, among others
- Collaborations and partnerships with Ethical Tea Partnership, trustea, Plastics Pact UK, among others
- Volunteering activities

Expectations they harbour

- Reducing operational footprint
- Responsible use of natural resources
- Opportunities for employment and skill development
- Improved access to basics, including water, sanitation and hygiene

Focused response

- Annual reviews and checks
- Emission reduction plans and targets
- Water conservation practices
- Upliftment programmes for the marginalised

Risks we combat

- Rising regulation
- Environmental concerns
- Socio-political unrest
- Social license to operate
- Reputational harm

GOVERNMENT AND NGOs

As a responsible corporate citizen, a symbiotic relationship with the government and non-profits can go a long way in bringing good change in the larger community.

Engagements in FY 20-21

- Contributed to a resilient corporate system by promoting transparency and raising awareness on societal issues
- Delivered services to meet the education, health, food and security needs of communities
- Brought expert knowledge and experience, empowering the marginalised and encouraging cit en engagement

Expectations they harbour

- Contribution to national economic and development priorities
- Promotion of sustainability agenda, human rights, environmental impacts
- Extending sustainable agriculture and support for communities
- Model corporate behaviour

Focused response

- Support during COVID

Risks we combat

- Environment and labour policies
- Public procurement
- Human rights in supply chain,
- Climate change and circular economy
- Sustainable packaging
- Sustainable procurement
- Living wages
- Deforestation in supply chain
- Gender issues
- Water stewardship
- Food safety

INVESTORS

The support of our shareholders is crucial for continuous access to capital, ability to make progress on our strategies and reach our objectives.

Engagements in FY 20-21

- Annual General Meeting
- Investor relations programme with regular updates on business and financial performance
- Institutional investor meetings
- Annual report and stock exchange announcements
- Shareholder information on website
- Timely response to shareholder queries

Expectations they harbour

- Business strategy and execution against it
- Consistency in financial performance and returns
- Sound corporate governance
- Environmental and social commitments and progress

Focused response

- Focused decisions and actions
- Consistent progress on strategic priorities
- Strong delivery on financial performance
- Adhering to highest standards of transparency and integrity
- Constituting best in class Board with strong governance mechanisms
- Focus on ESG with transparent and detailed disclosures

Risks we combat

- Extraneous factors like macro economic environment or a crisis like COVID-19 pandemic
- Foreign exchange rate exposures
- Market size reduction/ consumer downtrading
- Raw material inflation

SUPPLY CHAIN PARTNERS

Maintaining our relationship with farmers and suppliers of raw materials and indirect services are key to uninterrupted operations and delivery to our discerning consumers.

Engagements in FY 20-21

- Supplier reviews, audits and dialogues
- Quality checks and adherence to policies
- Synergising the Indian supply chain

Expectations they harbour

- Developing mutually beneficial partnerships
- Collaborating to realise efficiencies
- Fair contract and payment terms
- Joint risk assessment and mitigation

Focused response

- CFA consolidation and direct delivery
- Integrated business planning
- Maintained highest standards of safety protocols
- Provided vaccination support
- Supplier code of conduct

Risks we combat

- Pandemics can disrupt supply lines and the network in pockets or at a larger scale
- Crop yields and availability impacted by weather or other environmental social and economic reasons

Risk management

Managing our principal risks and uncertainties

As we transform our business and expand our product portfolio, understanding and managing our principal risks becomes more important than ever. We have listed below the risks that we think are most material to our business and performance at this time. We also explain some of the mitigating actions that help us manage these risks.

EXTERNAL

Risk	Impact	Mitigation measures	Developments in FY 20-21
Global events	We are exposed to global market forces, fluctuations in national economies, societal unrest and geopolitical uncertainty, evolving legislation; natural crises, pandemics and so on. Our operations are spread across the globe and failure to recognise and respond to any of these factors could directly impact the performance of our operations.	We continuously evaluate potential short-term market volatility and longer term socio-economic and political scenarios. We engage with governments, local regulators and community organisations to contribute to, and anticipate, important changes in public policy.	The most significant emerging risk was the COVID-19 crisis. It has impacted the price and supply of one of our key raw materials. Our early engagement in understanding the risks and impact helped in building our resilience towards our people and business. We have navigated the crisis successfully so far and continue to monitor the situation closely.
Consumer demand	The COVID-19 pandemic had a huge impact on consumer behaviour globally. Consumer preferences are changing and shifting towards branded, health and wellness category products.	We are building robust innovation funnel and structured innovation process from ideation to post-launch stage. Continuous monitoring of changing consumer preferences, direct engagement and understanding market trends help in better development of new products and reformulating the existing ones to improve the value of our portfolio.	We have put in place a structured and efficient innovation process to build a healthy pipeline of new products. Our businesses continue to review their products and partner with others to enable a swift and innovative response to the changing consumer landscape.
Interest rate and exchange rate	We operate in multiple countries and thus, both interest rates and exchange rate risks could impact our performance.	We have established currency hedging policies and practices.	Indian Rupee has strengthened against USD and has weakened against GBP this year. GBP also strengthened against USD post the closure of Brexit negotiations
Commodity costs	Agri-commodities are subject to seasonal and market cyclicality. Volatility in commodity prices and availability can have an impact on our operations, asset values and cash flows.	We use hedging where possible. The commercial implications of commodity price movements are continuously assessed and, where appropriate, are reflected in the pricing of our products. Partnership with quality manufacturers and channel optimisation are the other techniques we have adopted to reduce price volatility and ensure availability.	Raw tea prices in India saw an unprecedented inflation due to COVID-led disruptions. The prices have since softened considerably but still remain higher than last year.
Plantation yield	The plantation yield of our subsidiary and associate companies depends on rainfall, ageing of bushes and pest attacks, among others.	We undertake various initiatives to improve plantation yield and profitability, such as replanting with new varieties, irrigation facilities and pest management.	Tea plantation yield was impacted due to lockdown but increased realisation more than compensated for the loss in production.

Risk management

OPERATIONAL

Risk	Impact	Mitigation measures	Developments in FY 20-21
Supply chain and business continuity	Lack of timely availability of resources can halt business operations and supply chain	A robust business continuity plan for key co-manufacturers and third parties and an enhanced crisis management system in line with global leading practices helped in responding to the unprecedented impact on business during the COVID-19 crisis.	There were lockdowns and disruptions induced by the pandemic. Through better crisis management and business continuity plans, we were able to mitigate its impact on business.
Environmental	Failure to reduce our environmental footprint and to meet stakeholders' expectations, particularly relating to climate change, water security, packaging waste and sustainable agriculture, can damage our license to operate, erode consumer trust and increase our cost of doing business.	We have programmes for reducing energy consumption, increasing the use of renewable energy, circular economy, plastic packaging management and recyclable packaging, water stewardship, We have local and international partnerships on common issues, and we also focus on sustainable sourcing.	Leadership in CDP India Index 2020, increase in share of renewable energy, sustainable sourcing of tea from India and Africa through Rainforest Alliance and trustea, extending Project Jalodari on water stewardship to tea communities of Assam and hill communities of Himachal, collaboration through Global Tea Coalition, increased recyclable packaging for Tata Salt and compostable tea bags for Tetley. More on p. 58 →
Workplace health and Safety	Many of our operations, by their nature, have the potential for loss of life or workplace injuries to employees, contractors and visitors.	We have a continuous safety audit programme to verify implementation of safety management and support a culture of continuous improvement Best practices on safety and occupational health guidance are shared across the businesses.	During the year, we registered a Lost Time Injury Frequency Rate (LTIFR) of 0.83%, up from 0.60% in the previous fiscal; this is calculated based on one million hours worked.
Ethics and compliance	As an international business complying with multiple complex regulations, people with whom we deal must live up to our values and standards and share that responsibility. Unacceptable behaviour like bribery and corruption pose a threat to our ethical competence.	The Tata Code of Conduct is designed to ensure suppliers, representatives and all those we deal with, adhere to our values and standards. We draw assistance for the Company and our subsidiaries from respective legal departments and/or external legal advisors We develop and implement internal policies and procedures to ensure compliance on an ongoing basis.	We did not have any compliance concerns.

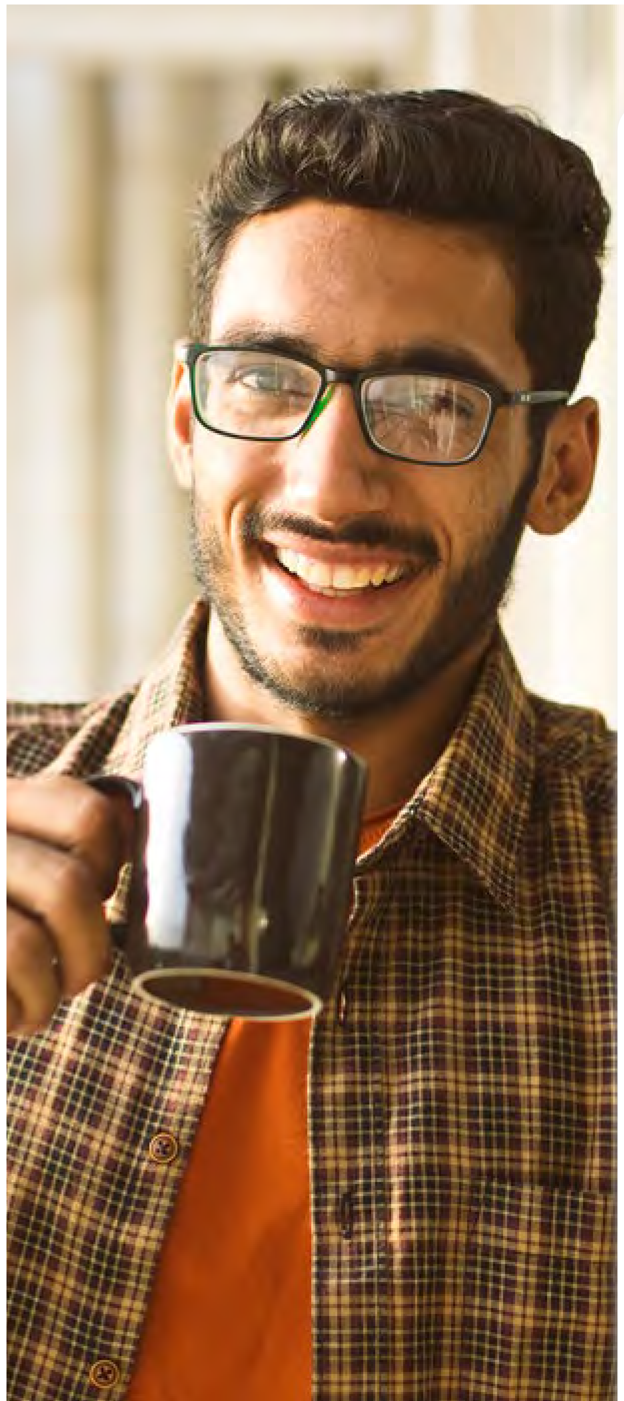
Risk	Impact	Mitigation measures	Developments in FY 20-21
Product safety and integrity	Poor quality or contamination could result in safety issues, reputational damage, financial loss and product recalls. Growing impact of a social media-led scrutiny and tougher legal environment can further magnify the impact.	All our manufacturing activities are done as per the SOPs defined to ensure quality and food safety. We ensure raw material safety and quality through vendor assessments. Systems are in place which are controlled and monitored through various KPIs like DPMO, RFT, Good Manufacturing Practice scoring etc. to ensure that quality and hygiene are maintained. Most of the Units are certified with FSSC22000 & ISO22000 certification.	Key performance indicators were defined, monitored, reviewed and actioned to ensure continuous monitoring and improvement across operations.
Cyber-security	Our IT infrastructure has been moved completely to the cloud for greater efficiency in our operations, thus exposing us to information security breaches through cyber attacks. COVID-19 has given rise to further challenges in cyber security: • Enabling our employees to work from home, provide access to data and applications in a secure manner, without any significant interruptions or disruptions. • Combatting new range of cyber-attacks that now target individual users to compromise their credentials, instead of attacking a business application directly.	While the business applications and data are hosted on the cloud, our carefully designed architecture infrastructure is regularly benchmarked against NIST, CSA and other industry leading standards. Access to Cloud infrastructure is designed on cloud scale Zero Trust Network architecture of industry leading provider. Single-Sign-On solution is implemented for all applications with Multi-Factor-Authentication for users for added security on identity / data theft. We have significantly ramped up our processes and solutions to redefine our perimeter as Identity and Applications, instead of the legacy model of Network / Servers / Offices. We have deployed cloud-based Identity, Authentication & Access Management solution which is also protected by multi-factor authentication. Using this solution, we have also covered all applications on Single-sign-on. For applications and mission critical data, we have adopted a high-wall approach - protection by Zero-Trust model-based solution.	We continue to invest more in security to safeguard our users, application and data against potential threats. We have scaled up our proactive monitoring capabilities with Safe Security for the entire digital landscape, based on the industry standard of Common Vulnerability Scoring System (CVSS). We have implemented MITRE framework for our Security Operations Centre (SOC). We have also completed a security audit by one of India's big 4 auditors for our cloud infrastructure and implemented mitigation controls. Our SOC solution has been expanded to identify anomalies on user activities. We have implemented website monitoring solution for availability and unauthorised content change. We have done VAPT audit for all of our brand and commerce websites and implemented mitigation controls.

NIST - National Institute of Standards and Technology
CSA - Cloud Security Alliance
VAPT - Vulnerability Assessment and Penetration Testing
DPMO - Defects per million opportunities
RFT - Right first time

India business performance

Delightful products. Stronger value proposition.

Our philosophy of 'For Better' also extends across our businesses. Across categories, we are aiming to strengthen our presence, widen reach, accelerate innovations and deliver delightful products to consumers.



PACKAGED BEVERAGES- INDIA

In Tea, we strengthened our existing offerings, while exploring new alternatives that revitalise well-being. Our tea offerings celebrate India's diversity through distinct blends, state specific packaging and local insight-based communication that caters to regional taste and preferences. We also expanded our portfolio to include offerings focused on health and wellness as well as a range of luxury teas.

Our coffee is sourced from our subsidiary Tata Coffee's estates and offers the goodness of quality beans in every cupful. We have stepped up our focus on coffee this year. We are innovating in this segment to ensure we keep pace with evolving coffee preferences. We currently have instant coffee, filter coffee and a premium roast and ground offering in our portfolio.

Progress in FY 20-21

- Robust and broad-based performance across our brands, recording double-digit growth
- Significant YoY growth in e-commerce channels
- Significant improvement in working capital - stood at 48 days as of 31st March 2021 down from 78 days (days of sales) as of 31st March 2021, despite extraordinarily high inventory led by raw tea inflation
- Profitability of the segment was impacted by unprecedented raw tea inflation but we made huge strides in volume growth and market share gains

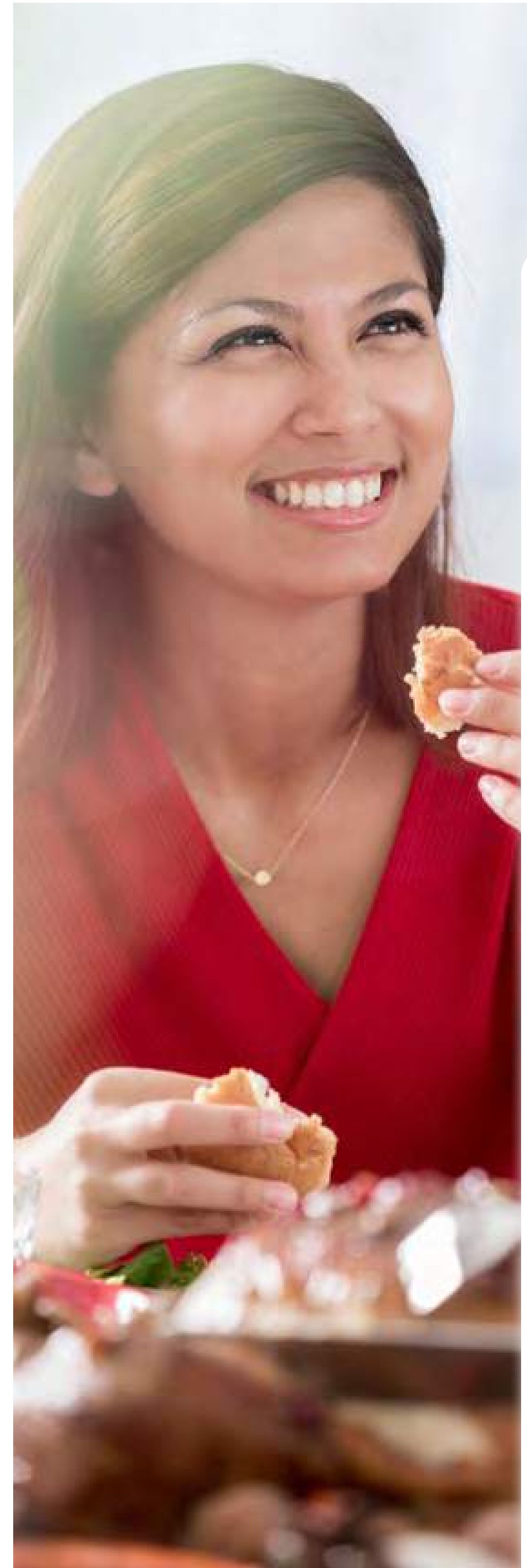
32%
Growth in revenue

12%
Volume growth in tea

19%
Volume growth in coffee

100 bps
Market share gain*

Figures of FY 20-21 | *Source: Nielsen Value share, Moving Annual Total (MAT) basis March 2021 vs March 2020



PACKAGED FOODS- INDIA

Through a quality range of staples, spices, mixes, breakfast cereals and mini-meals our offerings span a wide range of consumption occasions. We are market leaders in the salt category and are reaching 200 Million households every month across India with our iodised salt. Over the last two decades now, Tata Salt has lived up to its claim of being 'Desh ki Sehat, Desh ka namak'. We have also launched value added salts in order to premiumise our portfolio and offer healthier choices to consumers.

Our Tata Sampann range of products are crafted on the belief that health and taste must both accompany one's food, without compromising one or the other. The range offers unpolished pulses and spices with their wholesome nutrition and natural oils retained, which also makes it taste better. It also has ready to cook nutri-mixes which offer benefits on wellness along with convenience. During the year, we launched a number of new products in the Tata Sampann portfolio, in keeping with the health and wellness and convenience trend. With our recent acquisition, Tata Consumer Soulfull Pvt Ltd. is our fully owned subsidiary. Tata Soulfull brand operates in the Health and Wellness focused food segment with a portfolio of millet-based products for kids and adults.

Progress in FY 20-21

- Salt revenue grew 17% during FY 20-21
- Continued to drive premiumisation with value added and niche salt portfolio growing 75% YoY
- Tata Sampann portfolio grew ahead of the segment at 26% YoY
- EBIT for the segment grew 45% YoY, through strong cost optimisation efforts
- Drove working capital (WC) efficiencies to bring WC to negative territory as of 31st March 2021
- Introduced multiple new products across staples and mixes categories during the year

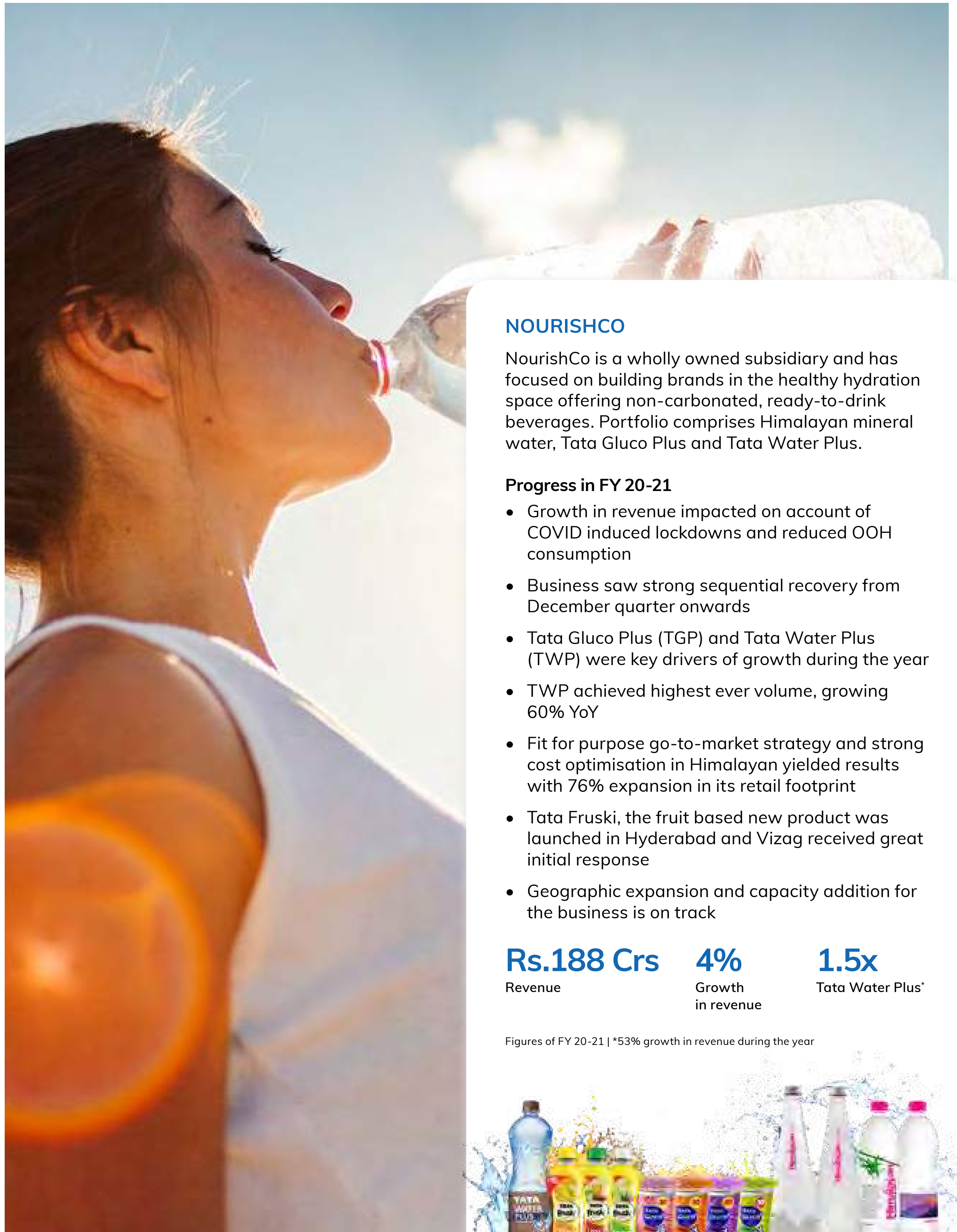
18%
Growth in revenue

11%
Volume growth for salt

180 bps
Market share gain for salt*

Figures of FY 20-21 | *Source: Nielsen - Value share, Moving Annual Total (MAT) basis March 2021 vs March 2020

India business performance



NOURISHCO

NourishCo is a wholly owned subsidiary and has focused on building brands in the healthy hydration space offering non-carbonated, ready-to-drink beverages. Portfolio comprises Himalayan mineral water, Tata Gluco Plus and Tata Water Plus.

Progress in FY 20-21

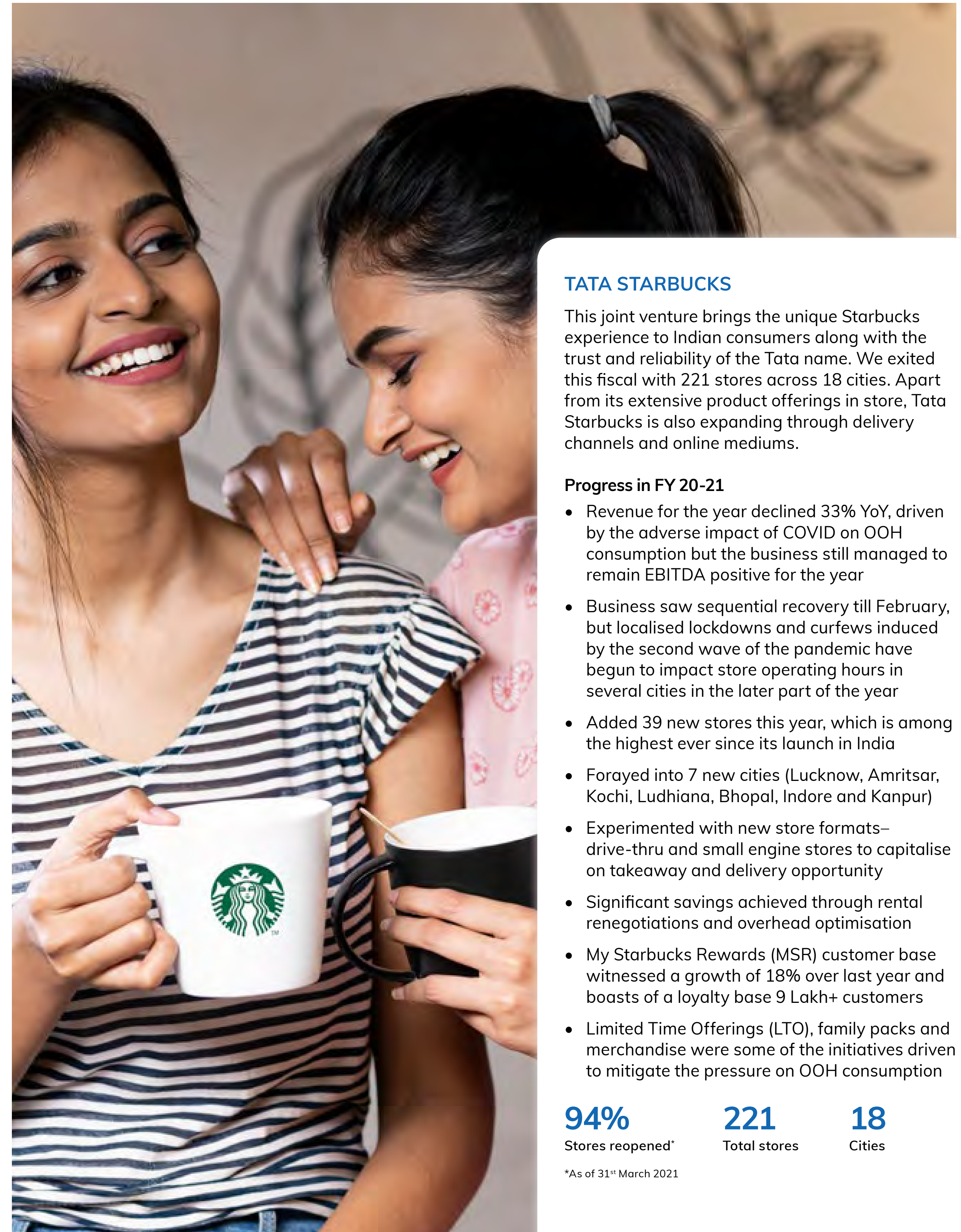
- Growth in revenue impacted on account of COVID induced lockdowns and reduced OOH consumption
- Business saw strong sequential recovery from December quarter onwards
- Tata Gluco Plus (TGP) and Tata Water Plus (TWP) were key drivers of growth during the year
- TWP achieved highest ever volume, growing 60% YoY
- Fit for purpose go-to-market strategy and strong cost optimisation in Himalayan yielded results with 76% expansion in its retail footprint
- Tata Fruski, the fruit based new product was launched in Hyderabad and Vizag received great initial response
- Geographic expansion and capacity addition for the business is on track

Rs.188 Crs
Revenue

4%
Growth in revenue

1.5x
Tata Water Plus*

Figures of FY 20-21 | *53% growth in revenue during the year



TATA STARBUCKS

This joint venture brings the unique Starbucks experience to Indian consumers along with the trust and reliability of the Tata name. We exited this fiscal with 221 stores across 18 cities. Apart from its extensive product offerings in store, Tata Starbucks is also expanding through delivery channels and online mediums.

Progress in FY 20-21

- Revenue for the year declined 33% YoY, driven by the adverse impact of COVID on OOH consumption but the business still managed to remain EBITDA positive for the year
- Business saw sequential recovery till February, but localised lockdowns and curfews induced by the second wave of the pandemic have begun to impact store operating hours in several cities in the later part of the year
- Added 39 new stores this year, which is among the highest ever since its launch in India
- Forayed into 7 new cities (Lucknow, Amritsar, Kochi, Ludhiana, Bhopal, Indore and Kanpur)
- Experimented with new store formats– drive-thru and small engine stores to capitalise on takeaway and delivery opportunity
- Significant savings achieved through rental renegotiations and overhead optimisation
- My Starbucks Rewards (MSR) customer base witnessed a growth of 18% over last year and boasts of a loyalty base 9 Lakh+ customers
- Limited Time Offerings (LTO), family packs and merchandise were some of the initiatives driven to mitigate the pressure on OOH consumption

94%
Stores reopened*

221
Total stores

18
Cities

*As of 31st March 2021

International business performance

Consolidating international presence

We are strengthening our international presence in our key focus markets — UK, USA and Canada. Apart from rejuvenating the black tea category, we continue to strengthen our presence in green, specialty and fruit & herbal teas. We have also introduced RTD offerings like Kombucha and strengthened our coffee range with new blends and formats like K-cups (pods).

Additionally, we exited our non-core businesses in USA and Australia during the year to enable greater focus on our core branded businesses. During the year, international markets saw an increased in-home consumption of tea and coffee, benefitting the category.

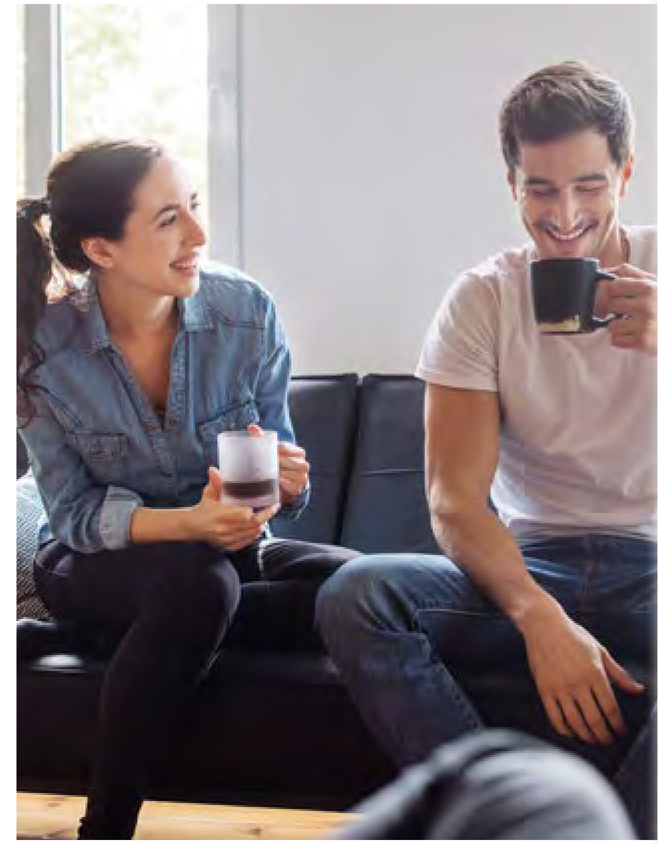
UK

Progress in FY 20-21

- UK business had a good year, with 2% revenue growth (constant currency) and a much faster EBIT growth, driven by strong overheads management and lower trade promotion coupled with stable commodity costs
- While OOH and wholesale channels came under pressure due to COVID, the impact was mitigated by driving distribution gains in the discounter channel and increased activation in the online channel
- Tetley grew share in the growing segments of Decaf, F&H and Green tea
- Tetley enveloped OOH range was relaunched with new product and 100% recyclable packaging. It comes with a new recyclable envelope, alongside the already compostable teabag, the first of the top 3 brands to do this in the sector
- Good Earth reported good first year with a digital-first model and strongly resonated with the younger generations and saw good traction in the e-commerce channel. Today, 46% of people under 35 recognise the brand, reflecting on 61.6% of sales being Incremental and 27% of shoppers being completely new to the category
- Good Earth also launched kombucha bottles brewed from the finest black teas and inspired by live cultures
- teapigs maintained #1 super premium brand position in the UK

2%	18%	20%
Growth in revenue*	Teapigs growth in revenue^	Value market share (in every day black)**

Figures of FY 20-21 | *Constant includes teapigs business | ^ Constant currency growth
**Source: Nielsen Value share, Moving Annual Total (MAT) basis – March 2021



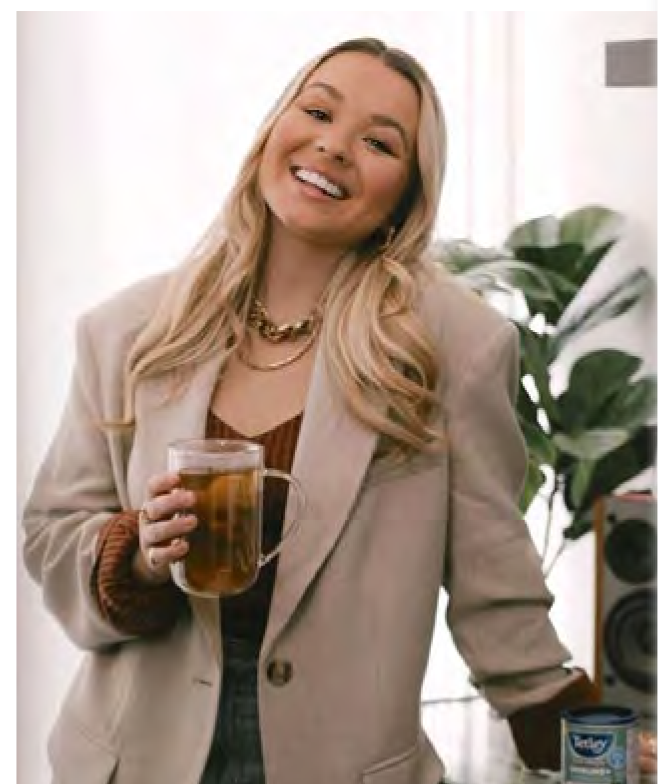
USA

Progress in FY 20-21

- E-commerce channel saw excellent growth growing triple digit during the year
- Coffee had a strong year with a volume growth of 7% driven by K cup growth outpacing Coffee bags
- Growth in tea was driven by innovation, new customer acquisition & e-commerce
- Tetley posted the highest year-on-year growth led by a significant uptick in Tetley Flavors of Britain revenue from key customers
- Innovations like Good Earth Sensorial Blend and Premium Tetley Flavors of Britain were recently launched on e-commerce with strong trial and conversions
- Innovation momentum also continued in coffee with good performance of 32 count K Cups and Barista Blends
- Divested stake in non-core food service businesses- Empirical Group LLC and Southern Tea LLC to the JV partner Harris Tea Company LLC, USA

9%	16%	4.6%
Growth in coffee revenue*	Growth in tea revenue*	Coffee bags market share^

Figures of FY 20-21 | * Constant Currency, excluding Food service (Empirical) |
^Source: *Nielsen –Value share, Moving Annual Total (MAT) basis–March 2021



CANADA

Progress in FY 20-21

- Robust revenue growth driven by capitalising on increased in-home consumption of tea
- Tetley continues to be the #1 brand in the market with both regular and specialty teas outpacing the category during the year
- Tetley introduced two more Super Teas in Canada – Tetley Immune + herbal tea and Tetley Sunshine herbal tea to strengthen our credentials in the health and wellness space
- Tetley Specialty Tea was the volume leader in Specialty Tea in Canada driven by the success of Tetley Super Teas
- Continued consumer marketing investment in digital advertising and sampling generated both awareness and trial which drove brand success

15%	35%	29.3%
Growth in revenue*	Specialty tea growth in revenue*	Market Share^

Figures of FY 20-21 | * Constant Currency | ^ Source: *Nielsen –Value share, Moving Annual Total (MAT) basis–Mar'21

Board of directors

Leading us with foresight and oversight, our Board of Directors guide and support us, helping us achieve our value creation goals.

TENURE OF OUR BOARD

0-2 years	4
2-5 years	2
6-10 years	2

Members

N

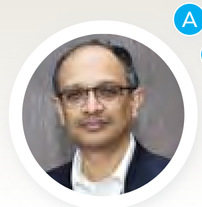
N CHANDRASEKARAN

Chairman

Mr. Chandrasekaran is the Chairman of the Board at Tata Sons which he joined as a Director in October 2016 and was appointed Chairman in January 2017. He also chairs the Boards of several group operating companies, including Tata Consumer Products, Tata Steel, Tata Motors, Tata Power, Tata Chemicals, Indian Hotels and Tata Consultancy Services (TCS) – of which he was Chief Executive from 2009-17.

In addition to his professional career at Tata, Mr. Chandrasekaran is a Director on the Board of India's central bank, Reserve Bank of India, since 2016. He is also on the International Advisory Council of Singapore's Economic Development Board, the Chairman of Indian Institute of Management Lucknow, the President of the Court at Indian Institute of Science, Bengaluru, the Co-Chair of the India US CEO Forum and on the Board of Governors of New York Academy of Sciences.

Mr. Chandrasekaran has been awarded several honorary doctorates by leading Universities in India and internationally.



A N

P.B. BALAJI

Non-executive, Non-independent Director

Mr. Balaji is the Group Chief Financial Officer of Tata Motors Limited since November 2017 and serves on the Board of several group Companies of Tata Motors Limited. He is a global finance professional with over two decades of experience in the corporate sector.

Prior to joining Tata Motors, Mr. Balaji was the Executive Director, Finance & IT and Chief Financial Officer of Hindustan Unilever Limited (HUL). He was the Vice President, Finance, for Unilever America's Supply Chain, based out of Switzerland and the Group Chief Accountant of Unilever worldwide, London. Mr. Balaji was the Vice President, Finance, for the Home and Personal Care business in India and earlier Vice President, Treasury for the AAR (APAC, Africa, Middle East, Turkey, and Russia) region based out of Singapore.

Mr. Balaji is a graduate from, IIT Chennai and has a post-graduate management degree from IIM Kolkata.

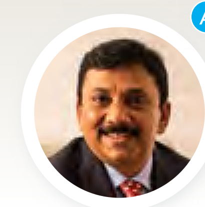
Ⓐ Audit Committee
Ⓝ Nomination and Remuneration Committee
Ⓢ Stakeholders Relationship Committee
● Committee Chairman
Ⓒ Corporate Social Responsibility Committee
Ⓡ Risk Management Committee
Ⓔ Executive Committees
● Committee Member

A S C

S. SANTHANAKRISHNAN

Independent Director

Mr. Santhanakrishnan comes with four decades of specialised experience in Accounting and Finance, Strategy and Planning and acquisitions with International exposure. He is a member of the Institute of Chartered Accountants of India (ICAI) and a Managing Partner of PKF Sridhar and Santhanam LLP, Chartered Accountants. He was involved with the Central Council of ICAI for 15 years till 2015 and has served in various committees of the Institute. Including Accounting standards board Mr. Santhanakrishnan is also on the Boards of various companies. He is actively involved with multiple government and industry bodies and has been a member of High-level Committee on CSR formed by the Ministry of Corporate Affairs. In addition, he is a Government Nominee in the Central Council of the Institute of Company Secretaries of India (ICSI).



A S C R

SIRAJ CHAUDHRY

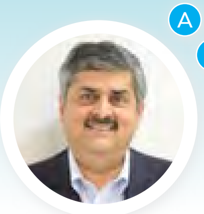
Independent Director

Mr. Chaudhry is an industry expert, thought leader, innovator and a leading voice in the agriculture and food industry. He is an Independent Director on the Boards of Tata Consumers Products, Tata Coffee, Dhanuka Agritech, and Jubilant Ingrevia. He collaborated with the social sector and the government on numerous nation-building projects.

Mr. Chaudhry has 30+ years of experience in building, turning around, acquiring and divesting businesses. He is currently the Managing Director & CEO of NCML. He was the Chairman of Cargill India and is credited with pioneering edible oil fortification as a practice (a Fortune Magazine Change the World activity). He co-chaired the National Committee for Agriculture and chaired the Food Processing Committee at FICCI.

He is a member of CDC Group's Food & Agriculture Advisory Council. He was the President of the Food Industry Skill Council under the National Skill Development Corporation (NSDC). He was on the Agriculture and Food Committee of USA-India Business Council (USIBC) in India and the Agriculture and Food Committee at American Chambers of Commerce. He was accorded the Pride of Uttar Pradesh honour from the Lucknow Management Association and Pioneer for Edible Oil Fortification by FSSAI.

Board of directors



A N R

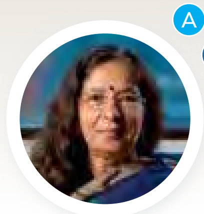
BHARAT PURI

Independent Director

Mr. Puri is the Managing Director of Pidilite Industries Limited since April 2015, having joined the Board of Pidilite Industries Ltd as an Independent Director in 2008. Mr. Puri has been a successful global business leader who has built, energised and led diverse teams across numerous geographies in both developed and developing markets.

Mr. Puri studied at school at the Lawrence School Sanawar, graduated in Commerce from Punjab University and completed his Post Graduate Diploma in Management (MBA) from the Indian Institute of Management, Ahmedabad.

He started his career with Asian Paints in 1982 and rose to head Sales & Marketing. He moved to Cadbury India as Director of Sales & Marketing in 1998 and was appointed its Managing Director in 2002. He has held senior leadership positions in Sales, Marketing and General Management at the regional and global level, culminating in his becoming Global President - Chocolates, Gum and Candy for Mondelez International.



A N C R

SHIKHA SHARMA

Independent Director

Ms. Sharma was the Managing Director and CEO of Axis Bank from 2009 -2018. Currently, she serves as an independent director on various Boards. As a leader adept at managing change, she led Axis Bank on a transformation journey from being primarily a corporate lender to a bank with a strong retail deposit franchise and a balanced lending book. She has over three decades of experience in the financial sector, with her first stint in ICICI Bank Ltd. in 1980. She was instrumental in establishing ICICI Securities and served as the MD & CEO of ICICI Prudential Life Insurance Company Ltd.

Ms. Sharma was a member of RBI's Technical Advisory Committee, RBI's Panel on Financial Inclusion and the Committee on Comprehensive Financial Services for Small Businesses and Low-Income Households. She has also chaired Confederation of Indian Industry's (CII) National Committee on Banking between 2015 and 2017. She has a demonstrated track record of building successful and enduring businesses, deep understanding of data and analytics and has built businesses based on consumer insight and technology execution.

She is a member of the Board of Governors of IIM Lucknow, a member of the Advisory Board of Bridgespan and an advisor to several companies.

(A) Audit Committee
(N) Nomination and Remuneration Committee
(S) Stakeholders Relationship Committee
Committee Chairman

(C) Corporate Social Responsibility Committee
(R) Risk Management Committee
(E) Executive Committees
Committee Member

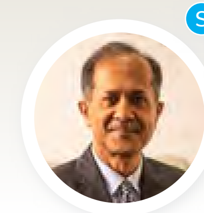
E

SUNIL D'SOUZA

Managing Director & CEO

Mr. D'Souza is the MD & CEO of Tata Consumer Products since April 2021. Prior to this, he served as the Managing Director of Whirlpool India Ltd. for four years is credited with having turned Whirlpool into a remarkable growth story in India. He began his career at Hindustan Unilever Ltd. in 1993 and then spent around 15 years at PepsiCo, where he held several leadership roles, handling commercial aspects of the company's foods and beverages portfolio and successfully leading the business in a large cluster of Asian countries. With 27 years of rich experience, he has strong domain knowledge of the consumer products business with distinct focus on strategy, growth and execution.

Mr. D'Souza is an engineering graduate and an alumnus of Indian Institute of Management, Calcutta (IIM-C).



S E

L. KRISHNAKUMAR

Executive Director & Group CFO

Mr. Krishnakumar is the Executive Director and Group CFO of Tata Consumer Products. He started his career as a management consultant with A. F. Ferguson and Co. in India and the Middle East. He subsequently worked with Larsen and Toubro Ltd. across multiple functions as General Manager, Finance where he gained exposure to the fields of engineering, information technology, shipping and more.

In 2000, he joined Tata Group in the hotels business as Vice President – Finance and was appointed Senior Vice President - Finance of the erstwhile Tata Tea in India in 2004. During his tenure he has handled different roles for the Company in India and the UK. Mr. Krishnakumar is a Director on the Board of NourishCo Beverages, Tata Starbucks and several of the Company's overseas subsidiaries in addition to Infiniti Retail. He has also been a member of finance forums of CII and Bombay Chamber. Mr. Krishnakumar is qualified in Chartered Accountancy, Cost Accountancy and Company Secretarial.

Leadership team

The Executive Team leads the business with strategic focus, expertise, and proactive risk management, under the guidance and supervision of the Board.

SUNIL D'SOUZA
Managing Director & CEO

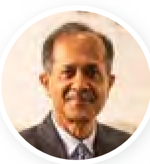
Sunil D'Souza is the Managing Director & CEO of Tata Consumer Products since April 2021. Prior to this, he served as the Managing Director of Whirlpool India Ltd. for four years is credited with having turned Whirlpool into a remarkable growth story in India. Sunil began his career at Hindustan Unilever Ltd. in 1993 and then spent around 15 years at PepsiCo, where he held several leadership roles, handling commercial aspects of the company's foods and beverages portfolio and successfully leading the business in a large cluster of Asian countries. With 27 years of rich experience, he has strong domain knowledge of the consumer products business with distinct focus on strategy, growth and execution.

Sunil is an engineering graduate and an alumnus of Indian Institute of Management, Calcutta (IIM-C).

AJIT KRISHNAKUMAR
Chief Operating Officer

Ajit Krishnakumar joined Tata Consumer Products in January 2020 as Chief Operating Officer and is responsible for business integration and transformation as well as the integrated India operations and B2B businesses. Prior to this, Ajit was a Senior Vice President in the Chairman's Office at Tata Sons, with responsibilities for strategy, corporate finance and M&A for the consumer and other business verticals. Formerly an investment banker and advisor with companies such as Bank of America Merrill Lynch and Rothschild & Co., Ajit has advised on mergers, acquisitions, divestitures and fund raising assignments across a number of industries and countries.

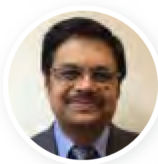
Ajit holds a post-graduate degree in business administration from the University of Michigan, Ann Arbor and has a bachelor's degree in business administration from the University of Hartford, Connecticut.



L. KRISHNAKUMAR
Executive Director & Group CFO

L. Krishnakumar is the Executive Director and Group CFO of Tata Consumer Products. He started his career as a management consultant with A. F. Ferguson and Co. in India and the Middle East. He subsequently worked with Larsen and Toubro Ltd. across multiple functions as General Manager, Finance where he gained exposure to the fields of engineering, information technology, shipping and more.

In 2000, Krishnakumar joined Tata Group in the hotels business as Vice President – Finance and was appointed Senior Vice President - Finance of the erstwhile Tata Tea in India in 2004. During his tenure he has handled different roles for the Company in India and the UK. Krishnakumar is a Director on the Board of NourishCo Beverages, Tata Starbucks and several of the Company's overseas subsidiaries in addition to Infiniti Retail. He has also been a member of finance forums of CII and Bombay Chamber. Krishnakumar is qualified in Chartered Accountancy, Cost Accountancy and Company Secretarial.



AMIT CHINCHOLIKAR
Global Chief Human Resources Officer

Amit Chincholikar joined Tata Consumer Products in September 2018 and was appointed Global CHRO in December 2018. He moved from Tata Sons where he was Senior Vice President – Group Human Resources. Amit has been with the Tata Group since 2010 prior to which he has worked with Aditya Birla Group and Mercer Consulting across all HR domains including mergers and integration, HR strategy, talent, learning, compensation and business partnership roles. Amit has also worked in several geographies across the world and has lived in India, Singapore and the US.

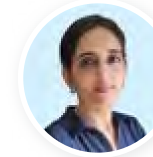
Amit is a post-graduate from Symbiosis Institute of Business Management. He graduated in science with specialisation in statistics and operations research from the University of Mumbai.

T V SWAMINATHAN
Global Chief Digital Officer

T V Swaminathan joined Tata Consumer Products in March 2021 as Global Chief Digital Officer (CDO) to chart out and execute a digital roadmap for the company. His responsibilities also include enabling the business using digital, enhancing analytical capabilities and leading the development of a digital vision and value proposition.

With 24 years of experience, Swami was previously with Nissan Motors, Japan, as Chief Digital Officer. Prior to this, he has held multiple leadership roles across various businesses in General Electric (GE) and has also been a part of Accenture and Servion Global solutions during his career.

Swami is a post-graduate in computer applications with a bachelor's in computer science.



DEEPIKA BHAN
President, Packaged Foods (India)

Deepika Bhan joined Tata Consumer Products in May 2021, as President - Foods Business. Prior to this, she spent 15 years at Hindustan Unilever Ltd., most recently as the Global Brand Director where she led the brand development, innovation and communication agenda for the Hair Care portfolio for South Asia.

Having worked on leadership assignments across Sales & Marketing, Deepika brings her rich experience and expertise in brand crafting and communication, driving innovation, building new categories and P&L management combined with a strong understanding of frontline sales. She is particularly passionate about building brands and business with purpose at its heart.

Deepika is an Economics (Hons) graduate from St. Xavier's' College and holds a master's degree in business administration from Xavier Institute of Management, Bhubaneswar, Orissa.

ADIL AHMAD
President, International Business

Adil Ahmad joined Tata Consumer Products in 2015 as Global CMO and in 2018 became the President for its International Business. In this role he is responsible for the business performance of the various geographies outside India including the development of a strong portfolio of global brands, improved business growth and profitability, globally driving new products and innovation, and executing on new growth opportunities across markets and regions.

Prior to this, Adil had a 20-year career with Reckitt Benckiser, holding leadership positions across UK, India, Middle East and East Asia, in both strategic and operational roles.

Adil is a graduate from St. Stephens College, Delhi and holds an MBA from Case Western University, Ohio.

PUNIT GUPTA
Senior Vice President, Strategy and M&A

Punit joined Tata Consumer Products in April 2021 and leads the Strategy and M&A function. He is responsible for driving the overall strategy for a sustainable and profitable growth mandate, as well as delivery of new businesses and acquisitions.

Punit has over 16 years of experience across operational and consulting roles including leading and delivering large-scale, complex transformation engagements across India, APAC, Europe and North America. Prior to Tata Consumer, Punit headed business strategy for Samsung Electronics for South-West Asia driving strategic initiatives for the smartphone and the consumer durables businesses. Punit started his career in operational roles with Asian Paints and Hindustan Unilever Ltd., where he managed large sales teams across India, spanning more than 40 FMCG product categories like decorative paints, home and personal care, and foods & beverages. During his strategy consulting assignments with Accenture and A.T. Kearney, Punit led 30+ CXO level engagements with cross-functional teams across the globe.

Punit is a Mechanical Engineer from Delhi College of Engineering and holds an MBA from XLRI, Jamshedpur.

Leadership team

VIKRAM GROVER
Managing Director, NourishCo

Vikram Grover joined Tata Consumer Products in 2011 as Marketing Head for South Asia and has played a key role in achieving several milestones for the Company's branded tea business in India. Now he leads the subsidiary, NourishCo Beverages. Prior to this, Vikram worked across sales, marketing and strategy at Hindustan Unilever Ltd. in India and in Unilever France and Indonesia holding significant roles such as Global strategy and Brand Director.

Vikram holds an MBA from the Indian Institute of Management, Calcutta (IIM-C) and a bachelor's from Punjab Engineering College, Chandigarh.

NAVANEEL KAR
Head, Sales (India)

Naveneel Kar leads the Sales function in India for the Foods and Beverages portfolio. He joined Tata Consumer in August 2019 from ITC Limited where he spent 16 years managing multiple roles across Sales, Marketing, Strategy and Category Management. In his last role he served as General Manager – West with responsibility for Sales across channels, Logistics, HR and Industry affairs, managing a team of 500 people and generating a turnover of Rs. 5,000 Crores. His career coincided with the diversification of ITC from a single category company to a diversified FMCG organisation. He contributed significantly to the launch and scale up of the Foods businesses in ITC as Category Manager, helping establish S&D and Category Management processes. He was also the Brand Manager for Sunfeast Biscuits and played a key role in the expansion of the biscuits portfolio.

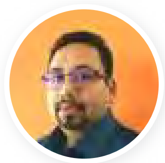
Navaneel has also worked as a Manager with Tata Motors, joining them as a Graduate Engineer Trainee (GET) from Delhi College of Engineering. He holds an MBA from XLRI, Jamshepdur.

PRASHANT PARAMESWARAN
Managing Director & CEO,
Tata Consumer Soulfull Pvt. Ltd.

Prashant Parameswaran is the Managing Director & CEO of Tata Consumer Soulfull Private Ltd since April 2021. In his previous role, he served as the Co-Founder and MD/CEO of Kottaram Agro Foods (Soulfull) for ten years. Under the brand name 'Tata Soulfull', he brought back traditional grains like millets to the modern Indian consumer in a form that is relevant for the 21st century.

With over 20 years of experience, Prashant began his career in 2001 by successfully setting up the distribution, operations and retail business units in India for the Kottaram Group. He has also worked in the US with international firms such as Limited brands and Information Resources Inc., as a Director supporting the Marketing Strategies team at Safeway Supermarkets from their headquarters in California. He led the team in managing revenues and acquiring new business opportunities.

Prashant is an engineering graduate from PSG College of Technology, Tamil Nadu and holds an MBA from Babson College – Franklin W. Olin Graduate School of Business. He is a Member of the Young Presidents Organisation (YPO), Bangalore Chapter and was an active Round Tabler in Bangalore and Cochin until 2020.

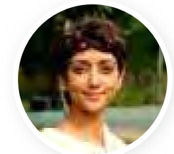


PUNEET DAS
President, Packaged Beverages
India & South Asia

Puneet Das joined Tata Consumer Products in November 2017. He was appointed President – Packaged Beverages (India & South Asia) in April 2021 with oversight of the Tata Cha business as well. Prior to this, he was Senior Vice President – Packaged Beverages, India where he played a key role in strengthening the core Tata Tea brand and sub-brands.

Puneet brings about 20 years of experience in the FMCG industry in India and other international markets such as the Sub-Saharan African region, Bangladesh, Nepal, Myanmar and Sri Lanka. He has held senior marketing positions in Marico, Pepsico, GSK Consumer and has worked on iconic brands such as 7Up, Boost and Horlicks among others. He also had a brief stint with Ola before moving to Tata Consumer. A respected marketer and award winner, Puneet has been recognised as 'Marketer of the Year 2020' by Brand Equity.com, Pitch 'Best CMO award' for excellence in purpose-driven marketing (2020 & 2019) and is amongst the Super 30 CMO Honour Roll 2020 for the trailblazing work in marketing the Tata Tea portfolio.

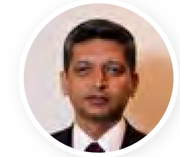
Puneet is a graduate from St. Stephen's College, Delhi, and holds a post-graduate diploma in management (MBA) from XLRI, Jamshedpur.



GAURI RAO
Global General Counsel

Gauri Rao joined Tata Consumer in December 2020 from the Group Legal team at Tata Sons. As Global General Counsel, Gauri handles legal affairs and strategy for the India and International business. In her previous role at Tata Sons, Gauri worked with several Tata companies on strategic transactions across many sectors including telecommunications, financial services and aviation. Prior to joining Tata Sons, she worked with Herbert Smith Freehills in London and at Amarchand Mangaldas & Co. in New Delhi. Gauri has extensive experience in the areas of mergers & acquisitions, finance, securities laws, project management and disputes, across multiple geographies.

Gauri holds a dual degree in legal studies and laws from Government Law College, Mumbai University. She also has a master's degree with distinction from Corpus Christi College, University of Oxford.



CHACKO P. THOMAS
Managing Director & CEO,
Tata Coffee Limited

Chacko P. Thomas joined Tata Coffee Limited in 2015 as Executive Director and Deputy CEO, where he led the operations and strategic management of the plantations and later the instant coffee division. He was then appointed its Managing Director and CEO in April 2019. His stint with the Tata Group began in 1992 as an Assistant Manager in erstwhile Tata Tea. He was associated with the South India Plantations Division of Tata Tea, now known as Kanan Devan Hills Plantations Company (KDHP) in Munnar, for about 23 years. After his many roles in plantation management, he headed the business diversification when in 2012, he was appointed as Managing Director of KDHP.

Chacko has been part of the steering committees of various industry bodies like UPASI, KPA, etc. He has also served as a nominee director of Tata Consumer on the board of Watawala Plantations, Sri Lanka and is currently on the boards of KDHP and Eight O Clock Coffee, USA.

Chacko holds a degree in science with specialisation in computer science from the University of Jodhpur. He is also an alumnus of INSEAD Fontainebleau (France) following the completion of their Advanced Management Program.

VIKAS GUPTA
Global Head, R&D

Vikas Gupta was appointed Global Head of R&D for Tata Consumer Products in June 2020. He began as Head of Product Innovation for India in 2013 and was appointed Head of Global NPD in 2017 for the beverages business. Vikas has played a key role in achieving successful launches of innovation projects for the tea and coffee category globally.

Vikas brings diverse experience of the Food & Beverages industry with demonstrated leadership capabilities in New Product Development, Cost Innovation and Supply Chain to develop and launch innovation projects. Previously, he spent almost a decade in GlaxoSmithKline Consumer Healthcare Limited across R&D and Supply Chain functions and 3 years with Hindustan Unilever Ltd. in the R&D function.

Vikas has a master's in Food Technology from the Central Food Technology Research Institute, Mysore and is a graduate in Horticulture from University of Horticulture and Forestry, Solan, Himachal Pradesh.

Ten year financial highlights

Rs. in Crores

Particulars	INDAS 2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	IGAAP 2015-16	2014-15	2013-14	2012-13	2011-12
STANDALONE FINANCIAL HIGHLIGHTS											
Revenue from Operations	7154	5690	3430	3217	3064	2987	3084	2885	2683	2326	2035
EBIDTA	919	806	464	502	363	360	343	317	284	239	232
Operating Profits (EBIT)	793	692	432	475	339	337	321	297	268	222	220
Operating Profits Margin	11.1%	12.2%	12.6%	14.7%	11.1%	11.3%	10.4%	10.3%	10.0%	9.5%	10.8%
Profit before Tax	836	729	576	723	386	317	661	349	585	321	370
Profit after Tax	620	524	411	534	276	226$	564	289	447	259	303
Dividend payout @	249	186	182	170	168	164	164	162	147	154	154
Shareholders' Funds	11224	10850	4444	4213	3785	3437	2896	2502	2573	2318	2210
Total Capital Employed ^	11224	10885	4448	4298	3817	3872	3274	2979	3030	2827	2577
No.of Employees	2852	2689	2409	2565	2555	2552	2552	2549	2466	2489	2218
Book value per Share (Rs.)*	121.56+	117.50+	70.07+	66.42+	59.62+	54+	45.54 +	39.29+	41.26 +	37.13+	35.39+
Earnings per Share (Rs.)	6.72+	5.68+	6.51+	8.47+	4.37+	3.59+	8.93+	4.58+	7.23+	4.18+	4.89+
Dividend per Share (Rs.)	4.05+	2.5+	2.5+	2.35+	2.25+	2.25+	2.25+	2.25+	2.25+	2.15+	2.15+
Total Debt to Equity *	-	0.00	0.00	0.02	0.01	0.13	0.13	0.19	0.18	0.22	0.17
Return on Operating Capital Employed (%)	11.5%	9.5%	41.3%	54.7%	43.7%	32.9%	41.4%	38.7%	48.4%	52.2%	81.1%
Return on Net Worth (%)	5.6%	4.9%	9.5%	13.4%	7.6%	6.5%	20.9%	11.4%	18.3%	11.4%	14.2%
Market Capitalisation	58881	27173	12871	16330	9501	7652	7652	9202	9279	7906	6948
CONSOLIDATED FINANCIAL HIGHLIGHTS											
Revenue from Operations	11602	9637	7252	6815	6780	6637	8111	7993	7738	7351	6640
EBITDA	1569	1310	837	851	801	666	678	777	753	769	627
Operating Profits (EBIT)	1315	1069	715	735	675	549	535	643	624	664	531
Operating Profits Margin	11.3%	11.1%	9.9%	10.8%	10.0%	8.3%	6.6%	8.0%	8.1%	9.0%	8.0%
Profit before Tax	1311	809	735	753	662	170	545	500	707	637	574
Net Profit after Minority Interest	857	460	408	496	389	(6) $	326	248	481	373	356
Shareholders' Funds	14535	13815	7332	7032	6266	6247	5719	5493	5849	4810	4566
Capital Employed ^	16834	16164	9500	9108	7984	8463	7782	7693	8211	7013	6547
Book value per Share (Rs.)*	157.48+	149.67+	115.82+	111.07+	98.93 +	98.64+	89.96+	86.38+	93.90+	77.08+	73.15+
Earnings per Share (Rs.)	9.30+	4.99+	6.47+	7.85 +	6.17+	-0.09+	5.16+	3.93+	7.77+	6.03+	5.76+
Total Debt to Equity *	0.08	0.08	0.14	0.13	0.11	0.19	0.18	0.21	0.21	0.25	0.16
Return on Operating Capital Employed (%)	10.0%	8.1%	10.2%	12.0%	12.0%	9.0%	8.9%	10.7%	9.9%	12.5%	11.0%
Return on Net Worth (%)	6.0%	3.4%	5.7%	7.5%	6.2%	-0.1%	5.8%	4.4%	9.0%	8.0%	8.4%

@ Includes Tax On Dividend.

^ Includes current maturities of long term debts

* Computation excludes Revaluation Reserves.

+ Computation based on revised face value of shares

$ Exceptional income in the year 2015-16, under previous GAAP, had profit on sale of equity investments of Rs 327.79 Crores which, under Ind AS have been directly recognised in retained earnings.

EBIT - Profit before exceptional items plus finance cost less interest and investment income

Board's Report

Dear Members,

The Board of Directors is delighted to present the 4th Integrated Report (prepared as per the framework set forth by the International Integrated Reporting Council) and 58th Annual Report on the business and operations of Tata Consumer Products Limited **("the Company")** along with the summary of standalone and consolidated financial statements for the year ended March 31, 2021.

In compliance with the applicable provisions of the Companies Act, 2013, (**"the Act"**), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**), this Board's Report is prepared based on the standalone financial statements of the Company for the year under review and also present the key highlights of performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the Company during the year under review.

FINANCIAL PERFORMANCE

Key highlights of consolidated and standalone financial performance for the year ended March 31, 2021, are summarized as under:

(Rs. in Crores)

Particulars	Consolidated		Standalone	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	11,602	9,637	7,154	5,690
Profit before Exceptional Items and Taxes	1,342	1,084	897	781
Exceptional items (net)	(31)	(275)	(61)	(52)
Profit before Tax	**1,311**	**809**	**836**	**729**
Provision for Tax	(317)	(274)	(217)	(206)
Profit after Tax	**994**	**535**	**620**	**524**
Share of net profit/(loss) in Associates and Joint Ventures	(63)	(75)	-	-
Profit for the year	**930**	**460**	**620**	**524**
Attributable to:				
- **Owners of the parent**	**857**	**460**	**620**	**524**
Retained Earnings - Opening Balance	**5,902**	**5,667**	**3,136**	**2,784**
Add /(Less):				
- Profit for the year	857	460	620	524
- Other Comprehensive Income/(Expense)	(112)	23	(4)	(21)
- Dividend Paid	(249)	(189)	(249)	(186)
- Other items	(1)	(58)	-	35
Retained Earnings - Closing Balance	**6,396**	**5,902**	**3,503**	**3,136**

OPERATIONS AND BUSINESS PERFORMANCE

Consolidated Performance

The consolidated revenue at Rs. 11,602 Crores reflect an increase of 20% over previous year with improvement both in Branded and Non-branded businesses. India Beverages Business grew by ~36% led primarily by Branded Tea business growth which grew in volume as well as value. India Foods Business grew by ~18% primarily led by Salt and Pulses. International Business growth at 8% (1% in constant currency) was muted, mainly due to the impact of Covid pandemic on Food Service and Out-of-Home sectors. Excluding Food Service and Out-of-Home sectors International business grew by 12% (5% in constant currency) mainly driven by Retail and Online segments. Our Non-Branded business also performed well with a growth of 15% (13% in constant currency) led by improvements in our Instant Coffee Business in Vietnam and improved plantation performance.

The profit before exceptional items and taxes (PBIT) at Rs. 1,342 Crores, grew by 24% over the previous year, mainly due to sales growth and rationalisation of expenses.

The profits from operations for India Beverages Business grew despite the significant increase in commodity costs mainly due to higher sales and rationalisation of expenses while we continued to invest in our brands. For India Foods Business, profit improved due to higher sales, focus on brands and rationalisation of spends. In India, we commenced the integration of the Foods Business acquired last year which has started yielding synergy benefits both on the top line as well as on the bottom line. The International Business registered a significant improvement in profits led by sales growth, gross margin expansion and cost rationalisation across the businesses. The consolidated financial statements for the year also include the part year impact of acquisition of NourishCo Beverages Limited ("NourishCo") (which was converted from a joint venture into a wholly-owned subsidiary effective May 2020) and Tata Consumer Soulfull Private Limited (acquired in February 2021). The profitability of our Non-Branded Business recorded a growth due to increased profitability from our instant coffee business in Vietnam and improved plantation performances.

The group net profit at Rs. 930 Crores, reflected a ~2x growth as compared to the previous year mainly due to improved PBIT, lower exceptional expenditure, lower tax rates and improved performance from JV's and Associates. The exceptional items, in year under review, mainly include restructuring and reorganisation costs relating to integration of India Foods and Beverages Businesses, loss on disposal of certain businesses (Empirical LLC & Southern Tea LLC in USA and MAP Coffee business in Australia), partly offset by fair value gains on conversion of NourishCo from joint venture to a wholly-owned subsidiary whilst during prior year it mainly comprised of impairment of goodwill and merger related costs.

Standalone Performance

The standalone revenues of Rs. 7,154 Crores reflected an increase of 26% over previous year mainly driven by volume growth of 12% in the Indian Branded Tea portfolio, which was seen across the different type of brands i.e. Economy and Premium. The Foods Business grew at ~18% in value terms primarily led by growth in Salt volumes. The profit before exceptional items and taxes (PBIT) at Rs. 897 Crores, was higher than the previous year by 15%, mainly led by higher sales (across Beverages and Foods Business) despite steep decline in gross margin resulting from record tea costs inflation and higher spends behind brands. The profit after tax at Rs 620 Crores reflected a growth of 18% mainly due to improved PBIT, lower tax rate, partly offset by higher exceptional expenditure. The exceptional expenditure mainly represents restructuring and reorganisation costs which includes costs relating to integration of the Indian Beverages and Foods Business.

DIVIDEND & RESERVES

Dividend Distribution Policy

Pursuant to Regulation 43A of Listing Regulations, the Board adopted a Dividend Distribution Policy, which had been placed on the website of the Company and can be accessed at the link: https://www.tataconsumer.com/investors/policies.

Declaration and payment of dividend

The Board is pleased to recommend a dividend of Rs. 4.05 per equity share of the Company of Re. 1 each (405%) for the year ended March 31, 2021.

The said dividend on equity shares is subject to approval of the Shareholders at the ensuing Annual General Meeting (**"AGM"**) scheduled to be held on Friday, June 25, 2021. If approved, the dividend would result in a cash outflow of Rs. 373.23 Crores. The total dividend payout works out to 60.25 % (Previous Year: 47.5%) of the Company's standalone net profit.

The dividend once approved by the Shareholders will be paid on or after June 29, 2021 and before July 25, 2021.

Book closure

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, June 12, 2021 to Friday, June 18, 2021 (both days inclusive) to determine the eligible shareholders to receive the dividend for the year ended March 31, 2021. According to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source ("TDS") from the dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

Unclaimed dividends

Details of outstanding and unclaimed dividends previously declared and paid by the Company are given under the Corporate Governance Report.

Transfer to reserve

As permitted under the Act, the Board do not propose to transfer any amount to general reserve and has decided to retain the entire amount of profit for FY 2020-21 in the profit and loss account.

SHARE CAPITAL

As on March 31, 2021, the authorised share capital of the Company was Rs.125 Crores comprising of 125,00,00,000 equity shares of Re. 1 each and the paid-up equity share capital as at March 31, 2021 was Rs. 92.16 Crores comprising of 92,15,51,715 equity shares of Re. 1 each. During FY 2020-21, the Company had neither issued any shares nor instruments convertible into equity shares of the Company or with differential voting rights nor has granted any stock options or sweat equity.

MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION

There are no material changes affecting the financial position of the Company subsequent to the close of the FY 2020-21 till the date of this report.

IMPACT OF COVID-19 PANDEMIC ON THE PERFORMANCE

The impact of pandemic started in March 2020 with Governments announcing lockdown across the world to control the spread of the virus. This was followed by restricted easing of services across different countries to be followed by further rounds of lockdowns (including localised lockdowns) initiated across different countries. There was also positive news in the latter half of the year with vaccine approvals and launch of vaccination drives in several countries.

We saw varied effects across our different businesses – retail businesses were positively impacted with increase in at home consumption and pantry loading (especially in the initial stages of the lockdown) while Out-of-Home and Institutional business saw drastic decline in volumes. In the first few months of operations, we initially struggled in India due to logistical challenges with limited manpower availability and restriction in movement of transport but we were able to streamline operations successfully. During this period, we also strengthened our direct distribution reach in India by partnering with Flipkart (whereby the Company's distributors could list themselves as marketplace sellers) and food delivery apps (such as Domino's Pizza).

There were also additional growth opportunities due to our organized supply chain and we were able to leverage on the opportunity to increase presence over competition.

Amongst our B2B businesses, our Extraction Business (both Tea and Coffee) was impacted during the year with the pandemic (loss of production with nationwide lockdown and reduced demand from customers). Starbucks and Tata Cha stores saw the closure of stores from mid of March with home delivery starting for some stores from April 2020 onwards.

The Plantation operations of the Company, its subsidiary- Tata Coffee Limited and associates - Amalgamated Plantations Private Limited ("APPL") and Kanan Devan Hills Plantations Co. Private Limited ("KDHP") resumed operations in April 2020 albeit with lower work force. With the lockdown, there was decline in tea production levels which led to an exceptional increase in tea prices which impacted our performance in second half of the year.

In terms of impact on the financial performance, the Group's performance was not adversely impacted by the Covid pandemic and it recorded good top line growth in many markets, except for some businesses, in particular, those in out-of-home consumption sectors. The commodity costs were however adversely impacted in India, as earlier pointed out. 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.

STRATEGIC INITIATIVES

During the year under review, the Company has completed the integration of India Beverages Business and India Foods Business.

At the beginning of the financial year, the Company has acquired the entire stake of PepsiCo in NourishCo Beverages Limited along with rights over the "Gluco Plus/ Gluco+" brand, whereby NourishCo became a wholly-owned subsidiary of the Company.

Further, in line with the Company's strategic intent of entering new adjacent categories in the food space, the Company has acquired 100% equity stake in Kottaram Agro Foods Private Limited, a company engaged in the business of breakfast cereals and millet-based snacks under the trademark "Soulfull". Through this acquisition, the Company added healthy breakfast cereals and millet-based snacks under the trademark 'Soulfull' in its portfolio. Post-acquisition, the name of this company was changed to Tata Consumer Soulfull Private Limited.

Additionally, the Company exited the branded coffee business in Australia in line with the Company's portfolio rebalancing strategy. Earth Rules Pty Ltd, Australia, an overseas step-down subsidiary of the Company, sold its Coffee Business (through a slump sale of assets), along with the contracts, assets and brands. The Company also disposed-off its entire membership interest held in Empirical Group LLC (Empirical) USA, a subsidiary and in Southern Tea, LLC (Southern Tea) USA, a joint venture to its venture partner in these entities - Harris Tea Company LLC on March 31, 2021. The exits from both the entities are in-line with the Company's strategy to focus on the core branded business, as the businesses of the above entities did not have synergies with core branded business of the Company. Coffee Trade LLC, the Company's step-down subsidiary, which was incorporated as part of restructuring of operations in Russia, was under liquidation in FY 2019-20 and consequent to completion of the restructuring, was liquidated on April 9, 2020.

The consolidated and standalone numbers, accordingly, includes the impact of these acquisitions and the above exits.

Further, region-wise and segment-wise performances are chalked out in Management Discussion and Analysis report forms part of this Annual Report.

NEW MISSION, VISION, VALUE OF THE COMPANY

The Company stand "For Better", its brand purpose that was defined after the merger of the Foods and Beverages Business and the renaming of the Company as Tata Consumer Products Limited. We bring this to life by pushing boundaries in everything we do - quality of our products and services, our contribution to people and the productivity across our workplaces.

The Company developed its Mission & Vision, by seeking its employee feedback, looking at extensive global benchmarks, sought leadership feedback and paid very close attention to our employee voice, to truly accomplish our aspirations.

Our Vision - "To build better lives and thriving communities"

- Building better lives inspires us to create better products, deliver greater value to our stakeholders and encourage our consumers to make healthy choices.

- We aspire to help the communities we live, work and serve in thrive by engaging with them in a meaningful and sustainable way. Our actions in terms of volunteering programs, mindful utilization of resources, assisting our vendors and customers, engagement with like-minded partners and supporting relevant causes in our neighborhoods will help build thriving communities – one step at a time.

Our Mission – "Passionately growing and innovating every day"

- We firmly believe that Passion is a very important element of our day-to-day actions. It allows us to dream the impossible, take calculated risks and have fun along the way as we create, nurture, grow and innovatively deliver the very best for our consumers.

Our vision and mission along with our purpose to stand "For better" provides a platform to our aspirations to be a leading and differentiated consumer products company that creates better products, provides healthier choices to consumers, helps to build thriving communities and delivers superior productivity in a sustainable way.

Our values represent who we are. As a TATA company, we are a values-driven organisation, and this informs the way we do business - through Empathy, Integrity, Excellence, Ownership and Agility, we deliver superior value to all our stakeholders.

These values guide our behaviors and our actions every day, inspiring us to achieve our vision for 'Building better lives and thriving communities.'

NEW PRODUCT DEVELOPMENT (NPD)

Innovation is one of the 6 key strategic pillars identified for growth of the Company. In the year under review, the Company has made significant investments in the area of innovation capabilities, which has started to show great results.

To sharpen organisational approach to NPD launches, clearly defined stage gate, NPD process has been implemented and category-wise commercial guardrails have been defined. A robust governance mechanism has been put in place with monthly innovation counsel chaired by CEO along with leadership team. The Research & Development ("R&D") structure is re-organized with focus on 4 key pillars – Category led R&D verticals, Scientific Research, Analytical services and Global Packaging to drive future innovation pipeline. The key focus for R&D is to drive innovation to deliver differentiated products with stronger nutritional claims or new to market across business categories.

As a result of sharpened approach to NPD launches, the Company has seen significant ramp up in innovation delivery - 14 New Product launches in India and close to 10 new launches in International business.

Packages Beverages

Tata Tea Tulsi and Tata Tea Gold Care have been launched with strategic intent to play in health and wellness space. In the last quarter of the year under review, a range of premium coffee and teas were launched under Tata Coffee Sonnet and Tata Tea 1868 brands through D2C portal. Tata Tea Quick Chai, which offers the promise of boiled tea taste to consumers in a convenient form, got re-launched in India and subsequently in US as part of lift and shift strategy.

Packaged Foods

Driving the promise of nutrition with convenience, Tata Sampann brand has launched a range of products in last 6 months of the year under review. This include Tata Sampann Thin Poha, new range of nutrimixes – Supergrain Ragi mixes (Dosa and Idli), Protein rich Khaman Dhokla and Masala Dhaliya Khichdi mix. Driving forward the credentials of Tata Sampann Haldi, business also launched Tata Sampann Haldi Doodh mix (with goodness of Ashwagandha, Mulethi, Cardamom and Black pepper).

Liquid Beverages

With strategic intent to leverage NourishCo go-to-market, Tata Fruski has been launched in February 2021 in South India market with 3 new products- Mast Mango, Lemon Masala, Jeera Masala in 2 different SKUs.

International business

Fueling the innovation funnel in International market, Australia and Canada took Health and Wellness to the next level. Australia launched 3 new products under Tetley with naturally fortified claims – Immune, Boost and Digest. Canada added 2 more Super Teas, strengthening the credentials in Health and wellness. UK launched an exciting new range of Tetley Herbals - infusions brimming with natural, zingy goodness to help you refresh and wind down. Also 2 new RTD products have been launched in last 12 months under Good Earth Brand- Kombucha and Good Energy Guayusa, strengthening our RTD play to recruit new consumers. US saw launch of Tetley British blends - Full flavored black teas with distinguished character along with range of Eight O'Clock Coffee launches – Café Arriba, Barista Blends and Flavors of America.

BUSINESS INTEGRATION

The merger of the Consumer Products Business of Tata Chemicals Limited with the Company was completed in February 2020 and led to the renaming of the Company as Tata Consumer Products Limited with the goal of bringing together two complementary and individually successful businesses and lay the foundation for a fast-moving consumer goods (FMCG) company. This transaction offered an opportunity to create a sizeable consumer company in India with enhanced scale and financial strength, build best in class processes and unlock cost and revenue synergies across distribution, marketing, and supply chain.

A dedicated Integration Management Office (IMO) team was established that worked in close coordination with functional leaders to ensure unified ways of working and realise synergies.

The merger was consummated in ~9 months and the scheme of arrangement came into effect from February 7, 2020. In the first ~100 days post the merger, the most critical decisions were brought to a governing committee/working group and suggestions proposed acted as guidelines to drive the value in this transformation. Though there were many challenges in the midst of the Covid pandemic to mount this change, a strong weekly cadence of progress measurement and detailed change management processes enabled robust governance and resulted in successful integration.

The integration and transformation effort at the Company focused on the following:

- **Future Ready Organisation**: The vision was to create a future-ready organisation structure to enable the journey for multicategory FMCG company. Structure to serve combined business was rolled out across levels and functions within 3 months of integration. Additionally, more than 100 processes were harmonized to ensure unified ways of working, including the transformation of critical processes. The cost and revenue synergies were identified and tracked and were in line with market expectations.

- **Sales & Distribution (S&D) Integration:** To achieve scale, the S&D structure was redesigned with rationalized Go-to-Market (GTM) layers and integrated multi-category channel partners. Additionally, to achieve growth in outlet reach, an increased fleet on street was deployed and enabled with digital tools to ensure visibility and agility.

- **Supply Chain Integration:** With the integration of front-end channel partners, efforts were taken to integrate Carrying and Forwarding Agent (CFA) locations across erstwhile Food and Beverages Business and ensure direct delivery. The vendor base, distribution network, and warehouse network were also optimized to achieve synergies.

- **Digital Transformation:** To develop a future-ready organisation, digital tools were identified across functions to improve efficiency. Enterprise Resource Planning (ERP) systems of erstwhile Food and Beverages Businesses were integrated and migrated to SAP S4 HANA for India business.

The Company has strategized 5-year roadmap detailing growth opportunities for core categories and expansion strategy into adjacencies. In its effort to accelerate the time to market, the Company has acquired Kottaram Agro Foods Private Limited, owner of the "Soulfull" brand, thereby marking its entry into the mini-meals category. The integration of this business is currently underway and is expected to be completed by Q1 FY 2021-22.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

As defined under the Act, the Company has 39 subsidiaries, 3 associates and 3 joint venture companies as on March 31, 2021.

Companies that have become or ceased to be Subsidiaries, Associates and Joint Ventures

During the year under review, the Company acquired a 100% equity stake of Tata Consumer Soulfull Private Limited (formerly Kottaram Agro Foods Private Limited), which became a wholly-owned subsidiary of the Company. NourishCo Beverages Limited, a 50:50 Joint Venture of the Company became a wholly-owned subsidiary in May 2020. Coffee Trade LLC, Russia, the Company's step-down subsidiary, was liquidated on April 9, 2020.

Earth Rules Pty Ltd, Australia, an overseas step-down subsidiary of the Company, has sold its Coffee Business (through slump sale of assets), along with the contracts, assets and brands. The Company had also sold off its entire membership interest held in Empirical Group LLC, an overseas step-down subsidiary in USA and in Southern Tea, LLC, an overseas step-down joint venture company in USA, to Harris Tea Company LLC, our partner in these entities, on March 31, 2021.

Other than these, no other company became or ceased to be a subsidiary, joint venture, or associate during FY 2020-21 and there has been no material change in the nature of the business of the subsidiaries.

Material Subsidiaries

The Company has two unlisted material subsidiaries incorporated outside India i.e. Tata Consumer Products GB Limited and Tata Consumer Products UK Group Limited. The Eight O'Clock Coffee Company Limited is an unlisted material subsidiary of Tata Coffee Limited, the listed subsidiary of the Company.

Consolidated Financial Statements

According to Section 129(3) of the Act, the consolidated financial statements of the Company and its subsidiaries, associates, and joint ventures, prepared in accordance with the relevant Accounting Standard specified under the Act, and the rules thereunder form part of this Annual Report.

A statement containing the salient features of the financial statements of the Company's subsidiaries, associates, and joint ventures in Form no. AOC-1 is given in this Annual Report. Further, pursuant to the provisions of Section 136 of the Act, the financial statements along with other relevant documents, in respect of subsidiaries, are available on the website of the Company, in the link: https://www.tataconsumer.com/investors/investor-relations/subsidiaries/subsidiary-financials

The details of the business of some of the subsidiaries, associates, and joint ventures during FY 2020-21 are given in the Management Discussion and Analysis report, which forms part of this Annual Report.

PERFORMANCE HIGHLIGHTS OF KEY OPERATING SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Subsidiaries

Tata Consumer Products UK Group Ltd, UK ("TCPG"), substantially reflects the financial performance of the Tetley business and a few other international brands.

Strong profit before exceptional items and taxes (PBIT) performance for the year under review was delivered whilst revenue growth was flat in constant currency on an underlying basis, excluding the impact of businesses disposed-off, namely, MAP coffee business in Australia and Tata Global Beverages Czech Republic in the previous year. Revenue growth was witnessed in retail / online segments across markets whereas the Out-of-Home business and Foodservice business was impacted. PBIT grew by ~58% mainly due to improvement in gross margin with margin expansion and rationalization of other expenses. Group Net profit was significantly higher than the prior year arising from lower exceptional expenditure and improved business performance. Exceptional expenditure in the current year represents the impact of disposal of businesses, whilst in the previous year, exceptional expenditure mainly represented impairment of goodwill.

In UK, the top-line reflected a growth of 2% in constant currency whilst market share was flat. There was good growth in grocery, online and discounters whilst Out-of-Home was impacted due to lockdowns. It is worth mentioning that Teapigs, our super-premium brand, continued its remarkable journey and for the year delivered the highest YoY growth since FY14. The business continues to invest behind its brands and had invested in the master brand campaign during the year with a TV commercial "Now we're Talking". New products such as Good Earth (Fruit & Herbal based) tea was launched to enhance our play in the non-black tea market and Good Earth Kombucha and Good Energy was launched in the Ready to Drink (RTD) space. UK delivered growth in profitability due to a mix of gross margin expansion, arising from lower tea costs, trade spend effectiveness and reduced overheads.

Canada had a standout performance in 2020-21, with Tetley's market leadership driving extraordinary retail sales on the back of Covid induced buying. We have gained market share from an already very strong share position. Tetley continues to be a strong brand in the market with both regular and specialty teas outgrowing the category during the year. For the year, the overall revenue growth was 15% in constant currency whilst Specialty, the star performer, grew by 35% over the previous year, Two new innovations were launched in market. Tetley Cold Infusions and Tetley Supers range extensions in health & wellness fortified teas, which has played into a strong and current consumer need for protection and immunity. The business recorded a strong growth in profitability led by higher sales, lower promotions and strong control on overheads.

Other smaller markets had a mixed performance. Whilst branded tea business excluding foodservice in the US performed well, markets in Australia and Europe were impacted due to extended lockdowns.

Tata Coffee Limited ("TCL"), India reported improved revenue from operations of Rs. 737 Crores, registering an increase of 4% as compared to previous year. The profit after tax also grew by 38% over previous year.

During the financial year 2020-21, TCL had a good harvest of Robusta and Arabica crop, the density and volume of primary grade Pepper has been good, considering the timely receipt of natural shower during the development stage. TCL has initiated actions to increase the production base of pepper in the coming years. For instant coffee business, despite a tough market environment impacted by repeated lockdowns and a drop in foodservice demand particularly in our larger markets of Russia and EU, TCL was able to maintain its shares with large clients, focus on niche market opportunities and execute on our new product development work.

Tata Coffee Vietnam Company Limited, Vietnam, wholly owned subsidiary of Tata Coffee Limited, which has a state-of-the-art freeze-dried instant coffee plant with an annual capacity of 5000MT, has delivered ~90% capacity utilization with enhanced yields and other operational metrics. Accordingly, sales improved by 72% (in constant currency) and significant improvement in PBIT. It has a one-of-a-kind pilot plant, which has been helping the facility to co-create innovative niche products with its customers. 17 new product blends have been successfully commercialized and around a dozen new customers have been on boarded this year. The products from the Freeze-dried plant have enabled its customers win awards for product excellence. The Unit is already setting benchmark standards on Safety with zero safety incidents as well as setting high standards in Food safety standards.

Eight O'Clock Coffee Limited ("EOC"), USA, reported a revenue during the year of Rs 1,293 Crores reflecting a growth of 9% as compared to the previous year in constant currency. The improvement is mainly driven by improved performance in Bags and K Cups. EOC continues to focus on innovations with a healthy pipeline and is also investing in new capabilities on e-commerce. All the recent innovations launched by EOC Coffee - EOC Barista Series, Flavors of America, K-cups new sizes - have gained distribution. New, proprietary Sustainability initiative from EOC, *Rooted in Responsibility™* reflects its commitment to the coffee farms and farming households, including women & children. Profitability increased due to higher revenue.

Tata Tea Extractions Inc. USA, had a stable performance as compared to the prior year notwithstanding the impact of the Covid pandemic. For the year ended March 31, 2021, sales and operating profits were in line with the previous year.

NourishCo Beverages Limited ("NourishCo"), India, reported a revenue from operations for the year of Rs 188 Crores. The Company had acquired PepsiCo's stake in NourishCo in May 2020 and thus NourishCo has become a wholly-owned subsidiary of the Company from May 2020. NourishCo operated in a difficult business environment with the pandemic impacting the business during peak season. The closure of Out-of-Home channel which persisted for a longer part of the year also had a significant negative impact especially at the premium end where Himalayan plays. Inspite of the impact of the pandemic on the business, the performance for FY 2020-21 was at par with FY 2019-20 on the back of rapid growth in Q3 and Q4 of FY 2020-21.

Tata Consumer Soulfull Private Limited, India, In February 2021, the Company has acquired 100% equity shares of Kottaram Agro Foods Private Limited, owner of the brand 'Soulfull' with portfolio of millet-based products for adults and kids. In order to improve consumer traction, we have renamed the Company as "Tata Consumer Soulfull Private Limited" and the brand to "TATA Soulfull". During the year, the revenue from operations declined as compared to previous year, however net loss from the business has reduced as compared to previous year due to reduction in cost of materials consumed and lower other expenses. The business acquisition was completed towards the end of the year under review and business integration and scale up plans are being put in place.

Associates

Amalgamated Plantations Private Limited ("APPL"), India

The total income for the year at Rs 830 Crores was higher by 18% driven by higher realisation partly offset by volume loss. The earnings before interest and tax and the profit after tax have improved due to improved operating performances. The total production for the year under review was lower than the previous year on account of the Covid pandemic and lock down at the start of the season, as also restrictions thereafter on re-opening in terms of deployment of workers for plucking & processing. However, the prices for the CTC and orthodox teas were substantially higher in the year as compared to the previous year which has led to improved realization (+45% growth). The drive by APPL to upgrade its quality across estates, was well received by all sections of the buyers and APPL firmly established itself as one of the "Top Quality Producers".

Kanan Devan Hills Plantations Company Private Limited ("KDHP"), India – Total Income at Rs 430 Crores was higher than that of the previous year, registering a growth of 19% over previous year, mainly driven by higher volume and realisation. The profit after tax for the year was Rs 26 Crores, as against a loss of Rs 1 Crore in the previous year. Although the adverse effects of Covid pandemic and the unfavourable weather conditions with incessant rains that followed from August 2020 onwards, had affected production, the yield achieved for the year was the second highest since inception of KDHP.

Joint Ventures

Tata Starbucks Private Limited ("TSPL"), India – our joint venture with Emerald City CV (Starbucks), was significantly impacted due to restrictions with continuation of Covid pandemic. TSPL crossed the 200th store milestone and opened net 39 new stores in the current fiscal and are now present in 221 stores across 18 cities in India. TSPL have seen month-on-month improvement in metrics. While TSPL has ended the year with lower revenues than previous year, it has been able to lower the impact on profitability with help of cost initiatives like rent negotiations. TSPL was also recognized as India's top 10 workplaces in Retail, 2021.

For further analysis on the consolidated performance, attention is invited to the section on Management Discussion and Analysis, notes to the consolidated financial statements and Form no. AOC 1.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointments & Cessation of Directors

The members of the Company at the 57th Annual General Meeting approved the appointment of Mr. Sunil D'Souza (DIN 07194259) as a Director, and also approved his appointment as the Managing Director & Chief Executive Officer of the Company for 5 years with effect from April 4, 2020, along with terms of appointment including remuneration.

Further, based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board had appointed Mr. P. B. Balaji (DIN 02762983) as an Additional Director to hold office as Non-Executive (Non-Independent) Director on the Board of the Company with effect from August 8, 2020, till the conclusion of ensuing Annual General Meeting. A notice under Section 160 of the Act, has been received nominating the candidature of Mr. P. B. Balaji for appointment as a Director of the Company. The NRC and the Board have considered and recommend to the Shareholders for the appointment of Mr. P. B. Balaji as Non-Executive (Non-Independent) Director as set out in the Notice of AGM. A resolution seeking Shareholders' approval for his appointment forms part of the Notice of the ensuing Annual General Meeting.

Mr. N. Chandrasekaran (DIN 00121863) Non-Executive, (Non-Independent) Director of the Company, retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking Shareholders' approval for his re-appointment forms part of the Notice of the ensuing Annual General Meeting.

Mr. Harish Bhat (DIN 00478198), Non-Executive, (Non- Independent) Director of the Company has resigned and ceased to be a Director of the Company effective close of business hours of August 7, 2020. The Board places on record its appreciation for his invaluable contribution and guidance.

Brief particulars and expertise of directors seeking appointment/re-appointment together with their other directorships and committee memberships have been given in the annexure to the Notice of the AGM in accordance with the requirements of the Listing Regulations and Secretarial Standards.

Key Managerial Personnel

As on March 31, 2021, the following were Key Managerial Personnel ("KMP") of the Company as per Sections 2(51) and 203 of the Act:

a) Mr. Sunil D'Souza, Managing Director & CEO,
b) Mr. L. Krishnakumar, Executive Director & Group CFO,
c) Mr. John Jacob, Chief Financial Officer and
d) Mr. Neelabja Chakrabarty, Company Secretary.

Pecuniary relationship or transactions with the Company

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/ Committee(s) of the Company.

BOARD OF DIRECTORS AND MEETINGS

The Board of Directors

The Board of the Company is comprised of eminent persons proven competence and integrity. Besides the experience, strong financial acumen, strategic astuteness, and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation. In terms of requirement of Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company's businesses for effective functioning, which are detailed in the Corporate Governance Report.

Committees of the Board

As required under the Act, and the Listing Regulations, the Company has constituted the following statutory committees:

1) Audit Committee
2) Nomination and Remuneration Committee
3) Stakeholders Relationship Committee
4) Risk Management Committee
5) Corporate Social Responsibility Committee

In addition to the above, the Board has formed an Executive Committee to review specific business operational matters and other items that the Board may decide to delegate.

Details of all the Committees such as terms of reference, composition and meetings held during the year under review are provided in the Report on Corporate Governance, a part of this Annual Report.

Board Meetings

The Board meets at regular intervals to discuss and decide on the Company/business policy and strategy apart from other Board business. The Board exhibits strong operational oversight with regular presentations in quarterly meetings. The Board / Committee meetings are pre-scheduled, and a tentative annual calendar of the Board and Committee meetings is circulated to the Directors well in advance to help them plan their schedule and ensure meaningful participation in the meetings. Only in case of special and urgent business, if the need arises, the Board's or Committee's approval is taken by passing resolutions through circulation or by calling the Board Committee meetings at short notice, as permitted by law.

The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed to enable the Directors to make an informed decision.

The Board of Directors had held 6 (six) meetings during FY 2020-21. For further details, please refer to the Corporate Governance Report, which forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations.

INDEPENDENT DIRECTORS' DECLARATION

As on March 31, 2021, Mr. Bharat Puri, Mrs. Shikha Sharma, Mr. S. Santhanakrishnan, and Mr. Siraj Chaudhry were Independent Directors on the Board.

Pursuant to the provisions of Section 149 of the Act and Regulation 25 of the Listing Regulations, the Independent Directors of the Company have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended by Ministry of Corporate Affairs ("MCA") Notification dated October 22, 2019, regarding the requirement relating to enrollment in the Data Bank created by MCA for Independent Directors, had been received from all Independent Directors.

SELECTION AND PROCEDURE FOR NOMINATION AND APPOINTMENT OF DIRECTORS

The Nomination and Remuneration Committee ("NRC") of the Board entrusted with the responsibility for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects an in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The NRC makes recommendations to the Board regarding appointment/re-appointment of Directors, and Key Managerial Personnel ("KMP"). The role of the NRC encompasses conducting a gap analysis to refresh the Board periodically, including each time a Director's appointment or re-appointment is required. The NRC is also responsible for reviewing the profiles of potential candidates vis-à-vis the required competencies, undertake a reference and due diligence and meeting of potential candidates before making recommendations of their nomination to the Board. The appointee is also briefed about the specific requirements for the position including expert knowledge expected at the time of appointment.

The Remuneration Policy and the Policy on Nomination, Appointment and Removal of Directors of the Company are available at : https://www.tataconsumer.com/investors/policies.

The Company's governance guidelines cover aspects mainly relating to composition and role of the Board, Chairman and Directors, Board diversity, and Committees of the Board. As per the Company's policy on retirement of Directors, the retirement age for Managing/Executive Directors is 65 years, Non-Executive (Non-Independent) Directors is 70 years, and Non-Executive, Independent Directors is 75 years.

Criteria for determining qualifications, positive attributes and independence of a director

In terms of the provisions of Section 178(3) of the Act and Regulation 19 of the Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- Qualifications – The Board nomination process encourages diversity of thought, experience, knowledge, age, and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.

- Positive Attributes - Apart from the duties of Directors as prescribed in the Act, the Directors are expected to demonstrate high standards of ethical behavior, communication skills, and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.

- Independence - A Director will be considered independent if he/she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations , as amended from time to time.

ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual Directors pursuant to the provisions of the Act and the Listing Regulations.

The Board evaluated its performance after seeking inputs from all the Directors based on criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Board and the NRC reviewed the performance of individual Directors based on criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, the performance of Non-Independent Directors and the Board as a whole and the Chairman of the Company was evaluated taking into account the views of Executive Directors and Non-Executive Directors.

The above evaluations were then discussed at the Board meeting that followed the meeting of the Independent Directors and the NRC, at which the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent director being evaluated.

REMUNERATION POLICY

Pursuant to the provisions of Section 178(3) of the Act, and Regulation 19 of the Listing Regulations, the NRC has formulated a policy relating to the remuneration for the Directors, KMP, Senior Management and other employees.

The philosophy for remuneration is based on the commitment of fostering a culture of leadership with trust. While formulating this policy, the NRC has considered the factors laid down in Section 178(4) of the Act which is as under:

- That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;

- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Remuneration Policy of the Company is available at: https://www.tataconsumer.com/investors/policies

The key principles governing the Remuneration Policy are as follows:

- Market competitiveness;
- Role played by the individual;
- Reflective of the size of the company, complexity of the sector/ industry / Company's operations and the Company's capacity to pay;
- Consistent with recognised best practices; and
- Aligned to any regulatory requirements.

In accordance with the Policy, the Managing Director & CEO, Executive Director, KMPs, Senior Management and employees are paid fixed salary which includes basic salary, allowances, perquisites and other benefits and also annual incentive remuneration / performance-linked incentive subject to achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time, by the NRC and the Board. The performance linked incentive is driven by the outcome of the performance appraisal process and the performance of the Company.

Remuneration for Independent Directors and Non-Independent, Non-Executive Directors

The Non-Executive Directors, including Independent Directors, are paid sitting fees for attending the meetings of the Board and Committees of the Board. As per the policy, the overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company including considering the challenges faced by the Company and its future growth imperatives. The remuneration should also be reflective of the size of the Company, complexity of the business and the Company's capacity to pay the remuneration.

During the year under review, the Company paid sitting fee of Rs. 30,000 per meeting per Non-Executive Director for attending meetings of the Board, Audit, Nomination and Remuneration and Executive Committees (Rs. 20,000 in case of Non-Executive Director, being the employee of other Tata Companies). For meetings of all other Committees of the Board, sitting fee of Rs. 15,000 per meeting per Non-Executive Director was paid (Rs.10,000 in case of Non-Executive Director, being the employee of other Tata Companies). The Company also paid sitting fees of Rs. 30,000 per meeting per Independent Director for attending the Independent Directors' meeting. Within the ceiling as prescribed under the Act, the Non-Executive Directors including Independent Directors are also paid a commission, the amount whereof is recommended by the NRC and approved by the Board. The basis of determining the specific amount of commission payable to a Non-Executive Director is related to his attendance at meetings, role and responsibility as Chairman or Member of the Board / Committees and overall contribution as well as time spent on operational matters other than at the meetings. The Shareholders of the Company had approved payment of commission to the Non-Executive Directors at the Fifty–Fifth Annual General Meeting held on July 5, 2018 for each financial year to be distributed among the Directors in such manner as the Board of Directors may, from time to time, determine within the overall maximum limit of 1% (one percent) per annum of net profit or such other percentage as may be specified by the Act, from time to time. No Stock option has been granted to any Director.

As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving commission from the Company.

Further, in line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in employment with any other Tata Company. Accordingly, no commission was paid to Mr. P. B. Balaji and Mr. Harish Bhat, Non-Executive (Non-Independent) Directors.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Independent Directors play a pivotal role in upholding corporate governance norms and ensuring fairness in decision-making. Being experts in various fields, they also bring independent judgement on matters of strategy, risk management, controls and business performance.

At the time of appointing a new Independent Director, a formal letter of appointment is given to the Director, *inter alia*, explaining the role, duties and responsibilities of the Director. The Director is also explained in detail the compliances required from him / her under the Act, SEBI Regulations and other relevant regulations.

By way of an introduction to the Company, presentations are also made to the newly appointed Independent Director on relevant information like an overview of the Company's businesses, market and business environment, growth and performance, organisational set up of the Company, governance and internal control processes.

Ongoing familiarisation aims to provide insights into the Company and the business environment to enable all the Independent Directors to be updated on newer challenges, risks and opportunities relevant in the Company's context and to lend perspective to the strategic direction of the Company.

Familiarisation programme for the Independent Directors along with the details of familiarisation programmes imparted to Independent Director during and cumulative upto FY 2020-21 is placed on the Company's website and the same can be accessed at the link : https://www.tataconsumer.com/investors/Board-Of-Directors-List/familiarization-programme?reload

BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse board in its success. The Company believes that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help the Company to retain its competitive advantage. The Board has adopted the Board Diversity Policy (as a part of the Policy on Nomination, Appointment & Removal of Directors) which sets out the approach to the diversity of the Board of Directors. The Policy is available on the website of the Company at https://www.tataconsumer.com/investors/policies.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board has adopted policies and procedures for the governance of orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations.

The Company has a strong and independent in-house Internal Audit ("IA") department that functionally reports to the Chairman of the Audit Committee, thereby maintaining its objectivity. Remediation of deficiencies by the IA department has resulted in a robust framework for internal controls and details of which are provided in the Management Discussion and Analysis Report.

Statutory Auditors in its report expressed an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial.

AUDIT COMMITTEE

The Committee has adopted a Charter for its functioning. The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee comprises Mr. S. Santhanakrishnan (Chairman), Mr. Bharat Puri, Mrs. Shikha Sharma, Mr. Siraj Chaudhry and Mr. P. B. Balaji. The Committee met 8 times during the year under review, the details of which are given in the Corporate Governance Report.

During the year under review, there were no instances when the recommendations of the Audit Committee were not accepted by the Board.

INTEGRATED REPORT

The Integrated reporting by the Company is in line with the Integrated Reporting framework developed by the International Integrated Reporting Council (IIRC). The Company aims to enhance its reporting in line with the framework in a phased manner.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

The Company has complied with the corporate governance requirements under the Act, and Listing Regulations. A separate section on Corporate Governance along with a certificate from the practicing Company Secretary confirming compliance forms an integral part of this Annual Report.

A detailed report on Management Discussion and Analysis forms an integral part of this Annual Report and also covers the consolidated operations reflecting the global nature of our business.

BUSINESS RESPONSIBILITY REPORT

In compliance with Regulation 34 of the Listing Regulations, a separate section on the Business Responsibility Report, describing the initiatives taken by the Company from an environmental, social and governance perspective, during the year under review, forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively during the financial year 2020-21.

Pursuant to Section 134 (5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that for the financial year ended March 31, 2021:

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

(ii) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;

(iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) They have prepared the annual accounts on a 'going concern basis;

(v) They have laid down internal financial controls for the Company which are adequate and are operating effectively;

(vi) They have devised a proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY INITIATIVES

In compliance with Section 135 of the Act, the Company has undertaken CSR activities, projects and programs, excluding activities undertaken in pursuance of its normal course of business. The Natural Foods & Beverages Policy of the Company is the apex Sustainability Policy that defines the aspiration to be the consumer's first choice in sustainable production and consumption. The sustainability pillars of the Company are Sustainable Sourcing, Climate Change, Water Management, Waste Management and Community Development.

During the year under review, the Company has spent Rs. 11.74 Crores (2.05%) of the average qualifying net profits of last three financial years) on CSR activities on projects qualifying as per Section 135 of the Act, duly approved by the CSR Committee of the Board. In addition to the projects specified as CSR activities under section 135 of the Act, the Company has also carried out several other sustainability / responsible business initiatives and projects on a global scale.

The salient features of the CSR Policy and details of activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided in **Annexure 1** attached to this Report. The revised CSR Policy may be accessed on the Company's website at the link: https://www.tataconsumer.com/investors/policies.

STATUTORY AUDITORS AND AUDITORS' REPORT

At the 54th Annual General Meeting held on August 18, 2017, the Shareholders had approved the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Registration No.117366W/W-100018) as the Statutory Auditors for a period of 5 years commencing from the conclusion of the 54th Annual General Meeting until the conclusion of the 59th Annual General Meeting to be held in the year 2022, subject to ratification by the Shareholders every year, if so required under the law.

However, pursuant to the amendment to Section 139 of the Act, effective May 7, 2018, ratification by Shareholders every year for the appointment of the Statutory Auditors is no longer required and accordingly, the Notice of ensuing Annual General Meeting does not include the proposal for seeking Shareholders' approval for ratification of Statutory Auditors' appointment.

Deloitte Haskins & Sells LLP has furnished a certificate of their eligibility and consent under section 139 and 141 of the Act and the Companies (Audit and Auditors) Rules 2014 for their continuance as the Auditors of the Company for the FY 2021-22. In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI. Accordingly, Deloitte Haskins & Sells LLP continues to hold office as Auditors of the Company.

The Statutory Auditors' Report for FY 2020-21 on the financial statement of the Company forms part of this Annual Report. Auditors have expressed their unmodified opinion on the Standalone and Consolidated Financial Statements and their reports do not contain any qualifications, reservations or adverse remarks or disclaimer.

The Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, in the year under review.

SECRETARIAL AUDITORS AND AUDITORS' REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Dr. Asim Kumar Chattopadhyay, Company Secretary in Practice (FCS No. 2303, Certificate of Practice No. 880), to carry out the Secretarial Audit of the Company. The Report of the Secretarial Auditor for FY 2020-21 is attached herewith as **Annexure 2**. There are no qualifications, observations or adverse remarks or disclaimer in the said report.

COST RECORDS AND COST AUDITORS

During the year under review, in accordance with Section 148(1) of the Act , the Company has maintained the accounts and cost records, as specified by the Central Government. Such cost accounts and records are subject to audit by M/s Shome and Banerjee, Cost Auditors of the Company for FY 2020-21.

The Board has re-appointed M/s Shome and Banerjee, Practicing Cost Accountants (Firm Registration Number: 000001) as Cost Auditors of the Company for conducting cost audit for the FY 2021-22. A resolution seeking approval of the Shareholders for ratifying the remuneration payable to the Cost Auditors for FY 2021-22 is provided in the Notice of the ensuing Annual General Meeting.

The Cost accounts and records as required to be maintained under section 148 (1) of the Act are duly made and maintained by the Company.

RISK MANAGEMENT

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement, and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Committee considers the risks that impact the mid-term to the long-term objectives of the business, including those reputational in nature.

The Company has an elaborate risk charter and risk policy defining the risk management governance model, risk assessment and prioritization process. The Risk Management Committee reviews and monitors the key risks and their mitigation measures periodically and provides an update to the Board on the Company's risks outlined in the risk registers. The Audit Committee has additional oversight in the area of financial risks and controls.

Additionally, a third- party organisation has benchmarked the Company's risk management practice with various companies in India and globally and pronounced it as a leader in FMCG category. The Company was consecutively for the second time declared as the winner in the category in "Master of Risk in FMCG category", at the seventh edition of The India Risk Management Awards 2021 by CNBC TV-18 and ICICI Lombard. These awards recognize those organisations and teams that have significantly added to the understanding and practice of risk management.

VIGIL MECHANISM / WHISTLE-BLOWERPOLICY

The Company's vigil mechanism allows the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct /business ethics as well as to report any instance of leak of Unpublished Price Sensitive Information. The vigil mechanism provides for adequate safeguards against victimisation of the Director(s) and employee(s) who avail this mechanism. No person has been denied access to the Chairman of the Audit Committee.

The Whistle-Blower Policy of the Company can be accessed on the Company's website at the link: https://www.tataconsumer.com/investors/policies.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are provided in **Annexure 3** attached to this report.

RELATED PARTY TRANSACTIONS

All Related Party Transactions (RPTs) entered into by the Company during the year under review were on an arms' length basis and in the ordinary course of business. These RPTs did not attract provisions of Section 188 of the Companies Act, 2013 and were also not material RPTs under Regulation 23 of the Listing Regulations. Given that the Company does not have anything to report pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form No. AOC- 2, therefore the same is not provided. All related party transactions are approved by the Audit Committee and are periodically reported to the Audit Committee. Prior approval of the Audit Committee was obtained on a periodic basis for the transactions which were planned and / or repetitive in nature and omnibus approvals were also taken as per the policy laid down for unforeseen transactions.

The Policy on Related Party Transactions as approved by the Board of Directors is available on the Company's website and may be accessed at the link: https://www.tataconsumer.com/investors/policies.

The details of the transactions with related parties during FY 2020-21 are provided in the accompanying financial statements.

The transactions with person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company has been disclosed in the accompanying financial statements.

ANNUAL RETURN

As provided under Section 92(3) & 134(3)(a) of the Act, Annual Return for FY 2020-21 is uploaded on the website of the Company and can be accessed at https://www.tataconsumer.com/investors/investor-information/annual-returns?reload

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure 4** attached to this report.

Pursuant to Section 197(14) of the Act, the details of remuneration received by the Executive Director from the Company's subsidiary company during FY 2020- 21 are also given in **Annexure 4** attached to this report.

The statements required under Section 197 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Rules'), as amended, form part of this report and will be made available to any Member on request, as prescribed therein.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

INDUSTRIAL RELATIONS

During the year under review, industrial relations remained harmonious at all our offices and establishments.

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted zero tolerance for sexual harassment at the workplace and has formulated a policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Awareness programs were conducted at various locations of the Company.

The Company has complied with provisions relating to the constitution of the Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no complaints relating to sexual harassment, pending at the beginning of financial year, received during the year and pending as on the end of the Financial Year 2020-21.

SECRETARIAL STANDARDS

The Institute of Company Secretaries of India has currently mandated compliance with the Secretarial Standards on board meetings and general meetings. During the year under review, the Company has complied with the applicable Secretarial Standards.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from the public during the year under review. No amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2021.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO [PURSUANT TO COMPANIES (ACCOUNTS) RULES, 2014]

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure 5** attached to this report.

ACKNOWLEDGEMENT

The Directors wish to convey their deep appreciation to all the employees, customers, vendors, investors, and consultants/advisors of the Company for their sincere and dedicated services as well as their collective contribution to the Company's performance.

The Directors thank the Government of India, Governments of various States in India, Governments of various Countries and concerned Government departments for their cooperation.

The Directors regret the loss of life due to Covid pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

The Directors appreciate and value the contribution made by every member of the Tata Consumer Products family.

On behalf of the Board of Directors

Sd/-
N. Chandrasekaran
Chairman
(DIN 00121863)

Mumbai
May 6, 2021

Annexure 1 to the Board's Report

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2020-21

1. Brief outline on CSR Policy of the Company

The Natural Food and Beverages Policy of the Company is the apex policy that incorporates all relevant elements of Sustainability, Corporate Social Responsibility ("CSR"), Affirmative Action, Community Initiatives and Volunteering.

The CSR Policy set outs the Company's commitment & approach towards CSR under Section 135 of the Companies Act, 2013 ("the Act") based on its legacy of 'Giving Back to Society'. The Company endeavors to facilitate livelihood opportunities & socio-cultural development in areas of its operations.

Natural Foods & Beverages Policy:

The Company is committed to be the most admired natural food & beverage company in the world by making a big and lasting difference through Sustainability and Corporate Social Responsibility. We shall achieve this by being the consumer's first choice in sustainable foods & beverage production and consumption.

The Company focuses on Climate Change, Water Management, Sustainable Sourcing, Waste Management and Community Development.

Towards community development, the Company undertakes programs focused on education and skills, healthcare and women empowerment. The Company also actively participates in TATA Group activities and programs for volunteering and affirmative action.

The Company shall achieve this by being knowledgeable, responsive and trustworthy, and by adopting environmentally and socially friendly technologies, business practices and innovation, while pursuing long-term growth aspirations and the enhancement of stakeholder value.

The Company aims to support sustainable livelihood and development programs for 1 million people in its supply chain and for the communities.

Defined locations and target beneficiaries: The CSR projects of the Company are focused on the Tea Communities of Assam and Munnar (Kerala), Coffee Communities of Kodagu (Karnataka) and Communities of Mithapur (Gujarat) and Paonta Sahib (HP)

Weblink of CSR Policy:

The CSR policy of the company can be accessed at https://www.tataconsumer.com/investors/policies

2. Composition of CSR Committee:

The Company has constituted a robust governance structure to oversee the implementation of the CSR projects, in compliance with the requirements of Section 135 of the Act. The CSR governance structure is headed by the CSR Committee. The CSR Committee grants auxiliary power to the Working Committee of the Company to act on their behalf. The members of the CSR committee as on March 31, 2021 are as under:

Sl. No.	Name of Director	Designation (Nature of Directorship)	Number of meetings of CSR Committee during the year:	
			held	attended
1	Mr. Siraj Chaudhry	Chairman of the Committee (Independent Director)	3	3
2	Mr. S. Santhanakrishnan	Member (Independent Director)	3	3
3	Mrs. Shikha Sharma*	Member (Independent Director)	1	1

*Inducted as a member of the Committee w.e.f. November 6, 2020

**Mr. Harish Bhat, Non-Executive Director was inducted as a member of the Committee w.e.f. April 28, 2020 and he ceased as member w.e.f. August 7, 2020 consequently upon his resignation as Director of the Company. During his tenure as member of the Committee, no meeting was held.

Weblink Composition of CSR Committee :
The Composition of CSR Committee of the Company can be accessed at https://www.tataconsumer.com/investors/Board-Of-Directors-List/committees-of-board

3. **Overview of CSR projects approved by the Board implemented during 2020-21:**
Details of CSR projects approved by the Board and undertaken by the Company during FY2020-21 are as under:

1. Promoting special education and vocational skills for differently abled at Munnar and Kodagu
2. Affordable Healthcare for all
3. Promoting gender equality and empowering women and adolescent girls.
4. Livelihood Enhancement of women in up cycling of laminates
5. Supporting Cancer-affected children
6. Supporting vulnerable communities during Covid pandemic
7. Project Jalodari – Water and Sanitation
8. Rural Development

Weblink CSR projects approved by the board:
Details of such projects are annexed to the CSR Policy of the Company which can be accessed at the website of the Company at https://www.tataconsumer.com/investors/policies?reload

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

The Company has been conducting internal assessments to monitor and evaluate its strategic CSR programs. The Company takes cognizance of sub-rule (3) of rule 8 of the Companies CSR Policy Rules 2014 and has initiated steps to conduct impact assessment of CSR projects through an independent agency. There are no projects undertaken or completed after January 22, 2021, for which the impact assessment report is applicable in FY 2020-21.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set- off for the financial year, if any
1	2019-20	Rs. 1.89 Crores	Nil
2	2018-19	Rs. 0.43 Crores	Nil
3	2017-18	Rs. 0.37 Crores	Nil
	TOTAL	**Rs. 2.69 Crores**	**Nil**

6. Average net profit of the Company as per section 135(5): Rs. 571.87 Crores

7.

a)	Two percent of average net profit of the company as per section 135(5)	Rs. 11.44 Crores
b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
c)	Amount required to be set off for the financial year, if any	Nil
d)	Total CSR obligation for the financial year (7a+7b- 7c).	Rs. 11.44 Crores

8. (a) CSR amount spent or unspent for the financial year 2020-21:

Total Amount Spent for the Financial Year	Amount Unspent (in Rs.) - NIL				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 11.74 Crores	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year 2020-21:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of Project: State and District	Project duration	Amount allocated for the project (Rs. In Cr.)	Amount spent in the current financial Year (Rs. In Crores).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency: Name.	Mode of Implementation - Through Implementing Agency: CSR registration number
1	Promoting special education, vocational skills for differently abled at Munnar	(i) (ii)	Yes	Munnar, Idukki District, Kerala	2014 onwards Ongoing	3.70	3.31	Nil	No	TGBL Foundation Trust	Applicable for CSR activities undertaken with effect from April 1, 2021. Registrations are in process.
2	Affordable Healthcare for all	(i)	Yes	Chubwa, Dibrugarh District, Assam	2014 onwards Ongoing	2.50	3.00	Nil	No	Associate Company	
3	Promoting gender equality and empowering women & girls	(iii)	Yes	Assam	2014 onwards	0.50	0.36	Nil	No	UNICEF and ETP	
4	Livelihood enhancement of women in up cycling of laminates	(ii)	Yes	Chennai, Tamil Nadu	2014-2021	0.12	0.12	Nil	No	Exanora	
5	Supporting Cancer-affected children	(i)	Yes	Kolkata, West Bengal	2014 onwards	0.20	0.20	Nil	No	St. Jude's India Child Care Centre	
6	Project Jalodari – Water and Sanitation	(iv)	Yes	Jorhat & Golaghat, Assam	2019 onwards	1.00	1.00	Nil	No	Tata Trust/ Centre For Microfinance and Livelihood	
7	Rural Development	(i)(ii)(iii)(iv)	Yes	Mithapur, Gujarat	2019 onwards	3.00	3.00	Nil	No	Tata Chemicals Society for Rural Development	
8	Promoting special education, vocational skills for differently abled at Kodagu	(i)(ii)	Yes	Kodagu, Karnataka	2019 onwards	0.25	0.25	Nil	No	Coorg Foundation	
Total						**11.27**	**11.24**				

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation -Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Supporting elderly during Covid pandemic with nutritional foods.	(i)	No	PAN India		0.50	No	HelpAge India	Registration is in process
	TOTAL					**0.50**			

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 11.74 Crores

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 11.44 Crores
(ii)	Total amount spent for the Financial Year	Rs. 11.74 Crores
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 0.30 Crores
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 0.30 Crores

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1	2019-20	NA	NA	NA	NA	NA	NA
2	2018-19	NA	NA	NA	NA	NA	NA
3	2017-18	NA	NA	NA	NA	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (Rs. In Cr.)	Cumulative amount spent at the end of reporting Financial Year. (Rs. In Cr.)	Status of the project - Completed / Ongoing.
1	NA	Promoting special education, vocational skills for differently abled at Munnar	2014-15	7 years	3.70	3.31	16.00	Ongoing
2	NA	Affordable Healthcare for all	2014-15	7 years	2.50	3.00	19.51	Ongoing
3	NA	Promoting gender equality and empowering women & girls	2014-15	7 years	0.50	0.36	2.50	Ongoing

(1) Sl. No	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced.	(5) Project duration	(6) Total amount allocated for the project (in Rs.).	(7) Amount spent on the project in the reporting Financial Year (Rs. In Cr.)	(8) Cumulative amount spent at the end of reporting Financial Year. (Rs. In Cr.)	(9) Status of the project - Completed / Ongoing.
4	NA	Livelihood enhancement of women in up cycling of laminates	2014-15	7 years	0.12	0.12	0.85	Completed
5	NA	Supporting Cancer-affected children	2014-15	7 years	0.20	0.20	1.42	Ongoing
6.	NA	Project Jalodari – water and saitation	2019-20	2 years	1.00	1.00	2.80	Ongoing
7.	NA	Rural Development	2019-20	2 years	3.00	3.00	6.00	Ongoing
8.	NA	Promoting special education, vocational skills for differently abled at Kodagu	2019-20	2 years	0.25	0.25	0.50	Ongoing
9	NA	Supporting elderly during Covid 19 with nutritional foods	2020-21	1 year	0.50	0.50	0.50	Completed
10	NA	Promoting education with Jaago Re scholarships	2016-17	5 years	0.12	-	0.28	Ongoing
TOTAL					**11.89**	**11.74**	**50.36**	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Not applicable.

    (a) Date of creation or acquisition of the capital asset(s): NA

    (b) Amount of CSR spent for creation or acquisition of capital asset: Nil

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

Sd/-
Siraj Chaudhry
Chairman of the CSR Committee and Independent Director
(DIN 00161853)

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

Annexure 2 to the Board's Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
TATA CONSUMER PRODUCTS LIMITED
1, Bishop Lefroy Road,
Kolkata – 700020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TATA CONSUMER PRODUCTS LIMITED (Formerly Tata Global Beverages Limited)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **TATA CONSUMER PRODUCTS LIMITED** for the financial year ended on 31st March 2021 according to the provisions **as may be applicable** to the Company of:

(i) The Companies Act, 2013 and any amendments thereof, (hereinafter collectively referred to as the "ACT") and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act");

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) (Amendment) Regulations, 2018 (hereinafter collectively referred to as " Listing Regulations") ;

d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

f. The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014; Not applicable during the period under review;

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;Not applicable during the period under review as the Company is not acting as a Registrar and Share Transfer Agent;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the period under review ;

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. Not applicable during the period under review.

j. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 ; AND

k. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preferences Shares) Regulation, 2013. – Not applicable to the Company during the period under review.

(vi) The Food Safety and Standards Act, 2006 along with Food Safety and Standards Rules 2011;

(vii) The Tea Board Guidelines and Orders;

(viii) Pollution Control Act, Rules and Notification issued thereof;

(ix) Legal Metrology Act, 2009 and Rules made thereunder;

(x) The Tea Act, 1953 and Tea Warehouse (Licensing) Order, 1989;

(xi) The Factories Act, 1948 and Rules made thereunder;

(xii) Shops and Establishment Act, 1953;

(xiii) The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Rules made thereunder;

(xiv) The Maternity Benefits Act, 1961;

(xv) The Minimum Wages Act, 1948;

(xvi) The Payment of Bonus Act, 1965;

(xvii) The Payment of Gratuity Act, 1972;

(xviii) The Employment Exchange (Compulsory Notification of (Vacancies) Act, 1959;

(xix) The Payment of Wages Act, 1936 and other applicable Industrial and Labour Laws.

I have also examined compliance of Secretarial Standards on the Meetings of the Board of Directors (SS-1), General Meetings (SS-2) made effective 1st July 2015 and Dividend (SS-3) made effective 1st January, 2018 (voluntary adoption by the companies) issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Changes have taken place in the composition of the Board of Directors during the period under review. Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Video / Teleconferencing facilities are used as and when required to facilitate the Directors at other locations to participate in the meeting.

The dissenting views of the member(s) of the Board of Directors and Committees thereof were captured and minuted whenever arises. However, no such case has arisen during the period under review.

I further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I also report that the Company, during the period under review has acquired the entire stake of PepsiCo, Partner in the Joint Venture of Nourishco Beverages Limited and thereby Nourishco Beverages Limited has become a Wholly-Owned Subsidiary of the Company.

I also report that in line with the Company's strategic intent of entering new adjacent categories in the food space, the Company had entered into Share Purchase Agreements and Share Purchase Investment Agreement with Kottaram Agro Foods Private Limited (hereinafter referred to "**KAFPL**") and in terms thereof the Company had acquired 100% equity in KAFPL and consequently KAFPL has become a Wholly-Owned Subsidiary of the Company. Subsequently, the name of KAFPL was changed to **Tata Consumer Soulfull Private Limited** in the period under review.

It may be noted that I have conducted on-line verification & examination of records, as facilitated by the Company (where ever required), due to Covid-19 and subsequent measures taken by the concerned authorities, for the purpose of issuing this Certificate.

Sd/-
Dr. Asim Kumar Chattopadhyay
Practising Company Secretary
FCS No. 2303
Certificate of Practice No. 880
Peer Review – 792/2020

Date: May 6, 2021
Place: Kolkata
UDIN: F002302C000248604

ANNEXURE "A"

(TO THE SECRETARIAL AUDIT REPORT OF TATA CONSUMER PRODUCTS LIMITED (Formerly Tata Global Beverages Limited) FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021)

To,
The Members
TATA CONSUMER PRODUCTS LIMITED
1, Bishop Lefroy Road,
Kolkata 700020

My Report for the financial year ended 31st March 2021 of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Dr. Asim Kumar Chattopadhyay
Practising Company Secretary
FCS No. 2303
Certificate of Practice No. 880
Peer Review – 792/2020

Date: May 6, 2021
Place: Kolkata

Annexure 3 to the Board's Report

REQUIREMENT PURSUANT TO SECTION 186 OF COMPANIES ACT 2013

Particulars of Investment made, and Guarantee/Loan given during the year 2020-21:

Particulars of Investment made Guarantee given and loan given	Name of the Entity	Amount (Rs. in Crores)	Purpose for which Loan, Guarantee is proposed to be utilised by the recipient
Investments	Tata Starbucks Private Limited	97.50	Not Applicable
	Tata Consumer Soulfull Private Limited (formerly Kottaram Agro Foods Private Limited)	155.80	Not Applicable
	NourishCo Beverages Limited	13.00	Not Applicable
Guarantee	-	-	-
Inter Corporate Loan	Kannan Devan Hills Plantations Company Private Limited	3.00	General Corporate Purpose

For details of Investments made in Mutual Funds, refer note 6 of the Standalone Financial Statements.

On behalf of the Board of Directors

Sd/-
N. Chandrasekaran
Chairman
(DIN 00121863)

Mumbai
May 6, 2021

Annexure 4 to the Board's Report

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the (Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year ended March 31, 2021 are given below:

(a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Non-Executive Directors	Ratio to median remuneration*
Mr. N. Chandrasekaran, Chairman@	-
Mr. P. B. Balaji#	-
Mr. Harish Bhat#	-
Mr. S. Santhanakrishnan	16.20
Mr. Siraj Chaudhry	14.06
Mr. Bharat Puri	16.44
Mrs. Shikha Sharma	16.37

Executive Directors	Ratio to median remuneration
Mr. Sunil D'Souza^	239.02
Mr. L. Krishnakumar	95.76

Notes:

*Median remuneration computation is based on a total employee head count of 2852, of which approximately 1800 employees are within collective bargaining process.

@As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving commission from the Company.

#In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in employment with any other Tata companies. Accordingly, no commission is paid to Non-Executive (Non-Independent) Directors - Mr. Harish Bhat (resigned w.e.f. August 7, 2020) and Mr. P. B. Balaji (appointed w.e.f. August 8, 2020).

^Appointed as Managing Director & CEO of the Company w.e.f. April 4, 2020.

(b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. N. Chandrasekaran, Chairman@	-
Mr. P. B. Balaji#	-
Mr. Harish Bhat#	-
Mr. S. Santhanakrishnan	18.60%
Mr. Siraj Chaudhry	22.20%
Mr. Bharat Puri$	-
Mrs. Shikha Sharma$	-
Mr. Sunil D'Souza	-
Mr. L. Krishnakumar*	8.80%
Mr. John Jacob, Chief Financial Officer**	2.50%
Mr. Neelabja Chakrabarty, Company Secretary**	2.90%

Notes:

@As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving commission from the Company.

#In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in employment with any other Tata companies. Accordingly, no commission is paid to Non-Executive, Non-Independent Directors - Mr. Harish Bhat (resigned w.e.f. August 7, 2020) and Mr. P. B. Balaji (appointed w.e.f. August 8, 2020).

$Since the remuneration paid in previous year (FY 2019-20) was only for part of the year, percentage increase in remuneration is not comparable and hence, not stated

*For the purposes of computations of increase, incentive remuneration has been considered based on accruals and payments relating to earlier years have been excluded. Compensation paid from a subsidiary company in UK has also been considered for computation of increase.

^Since Mr. Sunil D'Souza was appointed as Managing Director & CEO of the Company w.e.f. April 4, 2020, percentage increase in remuneration is not applicable and hence, not stated.

**For the purposes of computations of increase, incentive remuneration has been considered based on accruals and payments relating to earlier years have been excluded.

(c) The percentage increase in median remuneration of employees in the financial year was 62% (impacted by significant headcount increase during year arising from integration initiatives).

(d) The number of permanent employees on the rolls of the Company as on March 31, 2021 was 2852 employees.

(e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase for other than managerial personnel (excluding unionized staff) works to around 3.70% and the percentage increase for all employees was 7.90%. Increase in the managerial remuneration was 63.55% on a like to like basis (including compensation paid from a subsidiary company in the UK). Percentage increases for various categories are granted based on market trends and performance criteria.

(f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

(g) The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

(h) Disclosure under Section 197(14) of the Companies Act, 2013

Mr. L. Krishnakumar, Executive Director & Group CFO, received remuneration of Rs. 39.3 lakh from the Company's overseas subsidiary, Tata Consumer Products GB Limited during the year 2020-21. (The remuneration drawn in GBP has been converted into INR at average exchange rate).

On behalf of the Board of Directors

Sd/-
N. Chandrasekaran
Chairman
(DIN 00121863)

Mumbai
May 6, 2021

Annexure 5 to Board's Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy

Energy conservation measures taken during the financial year 2020-21:

1. Steps taken or impact on the conservation of energy:

- Installation of Auto Power Factor Controller (APFC) & Power Factor Correction in Sampla, Coalberth, Indore & Aurangabad Plants resulting in savings of Rs. 6.16 lakhs.
- Energy savings through the interlocking system at Kellyden Plant resulting in savings of Rs 2.18 lakhs.
- Fixed poly carbonated sheets for natural sun lighting at Bangalore tea plant & Water Plant at Paonta Sahib.
- Installed ATS (Automatic Transfer and Sharing of load as per consumption) for effective utilization of Solar Energy at Water Plant, Paonta Sahib.
- Replacement of 76 fluorescent tubes with LED light fixtures at Tata Tetley Division, with an estimated saving of 850 KWh per year.
- Replacement of 30 HP Air compressor with energy efficient 25 HP compressor (IE-4 motor) including VFD, at Tata Tetley Division with an estimated saving of 14,500 KWh per year.
- Installation of 20HP, 10HP, and 5HP VFDs for pumps, FD fan, blower, conveyors at Instant Tea Division, resulting in savings of Rs 14.5 lakhs per annum.
- Installation of 30HP, 10HP, and 7.5HP IE3 motors for pump and FD fan applications, at Instant Tea Division, resulting in savings of Rs 1.7 lakhs per annum.
- Modification of Automatic Power Factor Controller panel capacitor bank to 60kVAr, according to the minimal and variable loading pattern in Withering factory, estimated saving of Rs 1.7 lakhs per annum.
- Installation of LED lighting inside the plant and automatic streetlight controller using a timer at Instant Tea Division, expected saving of Rs. 1.52 lakhs per annum.
- Installation of Tuflite sheets (translucent fiberglass sheets) in 96% of labour quarter units and replacement of fluorescent tubes with LED Lights at Pullivasal Plant and Periakanal Estates, Munnar.

2. Steps taken by the Company for utilising alternate sources of energy

- The Solar power plant of 50 KW commissioned at Nagpur CFA, the first installation in a salt packing facility.
- The Solar power plant with a total capacity of 1065 KW (established between 2017/18 to 2019/20) is operational in beverage plants located at Sampla, Kellyden, Nonoi, Hyderabad & Pullivasal.
- 0.8 T diesel-fired boiler replaced with 1 T briquette fired boiler at Water Plant, Paonta Sahib.

3. Capital investment in Energy Conservation Equipment

Spent of Rs 38 lakhs for briquette fired boiler at Water Plant, Paonta Sahib

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption:

The Company has been engaging with various Suppliers, Research Institutes, Analytical Service providers and Technology providers for technical collaborations for product & process development, new packaging development, research-oriented projects and analytical service support. Technical discussions were held to identify the appropriate technologies, solutions and development and process improvement support. The Company has entered into Memorandum of Understanding with many external Companies and Institutes under Confidentiality agreements to work further on various collaborative projects and assignments.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

During the year, the Company launched a number of new products – Tata Tea Gold Care, Tetley Immune, Tata Tea Quick chai, Tata Tea Tulsi, Tata Sampann Thin Poha, Tata Sampann Dhokla mix, Tata Sampann Ragi Dosa and Idly mix, Tata Sampann Daliya Khichdi, Tata Sampann Haldi Doodh Mix, 1868 by Tata Tea, Sonnets by Tata Coffee, Tata Fruski Jeera Masala, Tata Fruski Lemon Masala in new PET bottle SKUs. This has been achieved through the efforts taken on technology and product & pack development and collaborations with different business partners.

a) The Company has collaborated with various external partners to support the development work:

Collaboration with major ingredient manufacturers and suppliers like Givaudan, IFF, Firmenich, Symrise, Kerry continued during the year for the development of newer formulations. Tata Elxsi, Sidel, Packfora were engaged with developments specific to packaging. Collaborated with Swani spices for co-creation and launch under Tata Sampann's range of spices & blends. Collaborated with Mother dairy, Doehler, Arihant Pure Chem, Hexagon nutrition, for the development of water plus and fruit-based beverages.

Projects were taken up with Central Food Technological Institute (CFTRI), Mysore and Central Scientific Instruments Organization (CSIO), Chandigarh for basic research and development-oriented projects. Central Institute of Petrochemicals Engineering & Technology (CIPET), Chennai was engaged for a project on recyclable laminates.

Service agreements were entered/continued between Analytical labs – Eurofins Analytical Services-Bangalore, TUV-SUD- Bangalore, TUV India Private Ltd (TUV NORD)-Pune, SGS Private Limited, ALS Testing Services India Private Ltd, Vimta Labs-Hyderabad, Intertek India Pvt. Ltd, Dove Research & Analytics Lab, Envirocare Labs Pvt Ltd, FICCI Research and Analysis Center, NCML-Unjha, and Neogen-Cochin for analytical support. The food safety risk is managed through a Specification Management System developed and optimized by Hamilton-Grant, UK. Laboratory Information Management System (LIMS) provided by Analytical Information System (AIS), UK is used for managing analytical data archiving and retrieval.

b) Active engagement with different companies was taken up during the year for packaging development:

Engagement with Dow Chemicals continued for options on sustainable packaging. The continued engagement has happened with various vendors on recyclable & compostable packaging. Initiatives on cost-saving options and re-structuring have been undertaken with vendors and industry experts. For the development of rigid packaging, we have engaged with Tata Elxsi and Sidel.

For developing printing options, designing and developments involving re-engineering of packing material, we have engaged with ITC, Uflex, Paharpur, Creative Polypack, Amcor and with ITC, Sidel, Manjushree Technopack Limited, Hitesh Plastics, Piramal Glass, Hindustan National Glass, Beri Cap, Bharath Tin, and Swiss Packs. For designing Pack artwork, we have engaged with ICARUS, Bangalore, and ENCEPT, Mumbai. During the year online artwork approval system "ALIA" from SGS&CO, Mumbai is being used.

During the year, for designing Pack artwork and developing content for advertisements, we have engaged with Agencies like Icarus, Wunderman Thomson, TILT, Lowe Lintas, Mullen Lintas, Dentsu Impact, Tree Frogs, Elephant Design, Ogilvy, Adglobal 360 & AGL. For online artwork approval, the ALIA system offered by SGS&CO has been used during the year.

External recognition was received for the work done in Packaging Innovation with the INDIASTAR 2020 Award for the packaging of Himalayan Sparkling Water and Tata Tea Tulsi Green. The INDIASTAR Award is the national award for recognizing Excellence in Packaging.

(iii) In case of imported Technology (imported during the last three years reckoned from the beginning of the financial year):

a) The details of technology imported: The Company has not imported any technology during the last three financial years.

b) The year of import: Not Applicable

c) Whether the technology has been fully absorbed: Not Applicable

d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: Not Applicable.

(iv) Expenditure incurred on Research & Development in FY 2020-21:

Capital Expenditure	Rs. 0.50 Crores
Revenue Expenditure	Rs. 13.95 Crores
Total R&D expenditure as a % of Net Sales is	0.20 %

(C) Foreign Exchange earnings and outgo in FY 2020-21:

Foreign Exchange earned	Rs. 322.69 Crores
Outgo of foreign Exchange	Rs. 90.49 Crores

On behalf of the Board of Directors

Sd/-
N. Chandrasekaran
Chairman
(DIN 00121863)

Mumbai
May 6, 2021

Management Discussion and Analysis

1. ECONOMIC REVIEW

1.1 Global

As per the International Monetary Fund (IMF), the global economy witnessed an unprecedented contraction of 3.3% in FY 2019-20 due to the COVID pandemic, despite the policy support provided by different governments. The GDP growth scenario improved in the second half as lockdown restrictions were eased (between the first and the second waves of infection) and economies adapted to new ways of working.

Outlook

Current forecasts are optimistic with the IMF projecting 6% global GDP growth in FY 2020-21 supported by increase in vaccination coverage, continued accommodative fiscal, monetary and financial support provided by central banks and governments. Good growth is projected both in case of advanced (USA and Japan through their fiscal support) and emerging economies (China has already returned to pre-COVID GDP in 2020).

However, uncertainty remain around the pace of economic recovery, which may be further dampened by new COVID-19 virus mutations, continued efficacy of government policy actions and projected increase in commodity prices. We will see differential economic recoveries across the world, with global economy potentially going back to pre-pandemic levels in another two years.

1.2 India

The Indian economy is estimated to have contracted by 8% in FY 2020-21. In the first quarter, with the implementation of nation-wide lockdown, the economy contracted by 24%, from which it slowly went into recovery mode (contraction in first half by 7% followed by low single-digit growth in the second half of FY 2020-21). Consumption patterns normalised towards the third quarter with increasing levels of demand for consumer and in-home food products. Economic indicators like Good and Services Tax collections, automobile and tractor sales, power demand is showing growth compared to last year. Given the gradual easing of restrictions and revival of several infrastructure projects by the government, manufacturing activity has increased.

Outlook

There is optimism around the recovery of Indian growth with predictions ranging between 10% (World Bank) to 12.5% (IMF) for FY 2021-22. This outlook is supported by mass vaccination drive, additional fiscal support and accommodative RBI monetary policy, strong rebound of private consumption (led by large government capital expenditure push) and growth in investment. However, there are risks to growth in the form of the second and third waves and its impact on economic outlook (including but not limited to another phase of lockdown measures being implemented), negative impact from financial sector distress and recovery of global economy.

2. CREATION OF TATA CONSUMER PRODUCTS

2.1 Overall Strategy

Tata Consumer Products Limited is a fast-growing food and beverage Company, with second largest presence in Tea globally, leadership position in Salt category in India and an expanding portfolio of other products (India- pulses, liquid beverages, coffee, spices, breakfast cereals, healthy snacks and ready-to-eat; International - Coffee). We are committed to delivering 'Better for You' products with high quality ingredients that are innovative, delightful and convenient for consumption.

The current year was pivotal for us as we focused on successfully integrating the India Businesses (Packaged Beverages and Food) to create a unified organisation, processes and realise synergies. This encompassed myriad activities, including a relook at the operating model and organisation structure, harmonising processes between the two businesses by benchmarking with best FMCG practices, redesigning the sales and distribution infrastructure to make it future-ready to support multiple categories. We also looked at end-to-end digitisation across supply chain and distribution partners and actioning steps to realise cost synergies (for instance, re-alignment of margins, consolidation of vendor, warehousing and distributor base). The integration was completed by the end of the year with timelines despite challenges presented by the pandemic.

We remain aligned to our six stated strategic pillars:

- **Strengthen and accelerate core business**
  Continue to invest behind the core brands in both India and International markets with focus on brand building, premiumisation, distribution and developing alternate channels for growth.

- **Drive digital and innovation**
  We are embedding digital in every part of the business, including procurement and supply chain, marketing, sales and distribution, R&D and New Product Development (NPD) as well as within finance processes to spearhead Tata Consumer Products into one of the best-in-class FMCG companies. Our e-commerce performance has been promising and we need to further drive the channel and strengthen digital marketing across markets.

  We plan on making deeper investments and accelerating our innovation agenda by targeting to drive 4% of our revenues from innovation in the next few years. Successful innovations will also be cross-pollinated across different geographies to increase scale.

- **Unlock Synergies**
  We are focused on realizing synergy benefits through effective integration between the two iconic businesses of Tea and Salt. We are exploring alternate business structures to improve profitability and are efficiently managing spends, including commodity costs and building efficiencies across the value chain.

- **Exploring new opportunities**
  We are capitalising on industry trends to serve consumer needs specific to markets and geographies. Our efforts include piloting new launches and categories by leveraging a differentiated offering and a 'right-to-win' strategy to build a larger play across different markets successfully.

  We are realigning capital investments to markets or businesses that have higher growth potential and ability to generate sustainable returns.

  We are exploring additional avenues for growth, including inorganic agendas to expand into adjacent categories and recruit new set of consumers. For instance, the acquisition of Soulfull has added the kids and the youth segment to our platform.

- **Create a future ready organisation**
  We remain committed to investing in building people capabilities and creating a sustainable high performance work culture. During the year, we successfully redesigned the organisation structure of Tata Consumer Products-India branded operations to bring in more focus and accountability to every function, ultimately driving superior growth in the future. We have also brought R&D and digital transformation on the forefront and have converted them into global functions reporting to the CEO directly.

- **Embed sustainability**
  Build a sustainable and profitable business model for our stakeholders. We are committed to sustainable sourcing and reducing usage of plastic packaging.

Tata Consumer Products has the second largest presence in Tea globally, leadership position in Salt category in India and an expanding portfolio of other products.

We successfully completed the integration of our Packaged Food and Beverage businesses in India.

Key strategic developments

During the year under review, we focused our investments on strengthening our core businesses in India and across various International markets. We brought to life our innovation for growth agenda with products like Cold Infusions in UK, Australia and Canada, Super Teas in Canada, new line of Coffee blends in USA (Barista, Flavors of America, Café Arriba), among many others.

We augmented our India Food & Beverages portfolio with the 100% acquisition of stakes, in erstwhile JV – NourishCo Beverages and of Kottaram Agro Foods (Soulfull) during the year. The acquisition of NourishCo Beverages serves our ambition to create a larger portfolio in the RTD beverage segment in India. Soulfull will help us add new customers in the kids and young adults' space, which was missing in the current portfolio. The synergies and the scale of Tata Consumer's distribution will help us expand Soulfull on a pan-India basis and give us an opportunity to take the brand global.

As part of our portfolio review, we exited our Foodservice operations in Australia (MAP Coffee) and USA (Empirical and Southern Tea) to concentrate on branded play in these markets.

With the creation of Tata Consumer Products, we are all set to target a larger market opportunity. We are now among the top 10 F&B companies in India in revenue terms. With unmatched brand equity under the Tata parentage and distribution across over 200 million households in India, we anticipate the pull of a larger share of ~Rs 2.7 Lakh Crores India F&B market. We are driving a cultural shift in the Company with a focus on accountability, empowerment and faster decision-making.

In the wake of the unprecedented COVID-19 situation, we took up projects across different geographies to give back to the community. Some of the programmes include digital crowd-funding campaign to support hot tea shops in Tamil Nadu (Chakra brand), social initiatives to increase awareness about supporting elders #BadonKeLiye #JaagoRe, participation in the UK government care packs (delivered weekly to the 1.5 million people identified as most vulnerable), supporting local communities by distributing PPE kits, thermal scanners, quarantine centres at plantations, among others.

NourishCo acquisition will help us create a larger portfolio in the RTD beverage segment in India.

Soulfull acquisition will help us add new customers in the kids and young adults' space

2.2 Strength and Challenges

We have leading positions in the Tea and Salt segments in India and these businesses will continue to contribute significant share of our revenue growth in the next few years. We are leveraging our distribution strength and operational excellence to build future businesses, which have the potential to become large platform players in their specific market categories (including Packaged Food, Liquid Beverages, Out of Home, Breakfast cereals, Healthy Snacks as well as newer categories being explored). We will also be leveraging the Tata brand name as it inspires trust into categories of mass consumption. A digitally enabled value chain will add further maturity of the organization.

Our leading International brands – Tetley and Eight O'Clock, are heritage brands, which have built a loyal customer base. These brands operate primarily in mature markets with lower growth rates and base re-aligning towards Non-Black segments (during the initial period of the pandemic, we saw growth being led by mainstream black, which reversed by the end of the year). We are focusing on product innovations to build scale in these new segments (some of our successful launches include Super Teas, Herbals, Barista Blends) and based on good traction, launching with agility across different markets to gain edge over our competition. We are also investing in the black tea business to ensure long-term health of the business vertical. Portfolio optimisation and cost restructuring to streamline the Company's operations and enhance business effectiveness and profitability have also been among our priorities.

Among our B2B businesses, our extraction business (both Tea and Coffee) enjoys healthy margins though during the year, the business was adversely impacted by the pandemic. At Tata Coffee Limited, our freeze-dried plant in Vietnam performed well and has already reached around 90% capacity utilisation by the end of the second year of operation. It was a good year for our plantation businesses as we saw increase in prices and volumes. Our long-term fundamentals of business remain strong and we will continue to evaluate various options to improve efficiency.

2.3 Opportunities and Threats

Our business segments await vast opportunities in India and the International markets as existing trends in health and wellness as well as convenience create new consumer needs and market opportunities. We are preparing to leverage them through focused expansion of our sales and distribution system in India and improving our supply chain model. Premium product offerings and new market models are also being developed. We are exploring opportunities to expand our Indian products in the International markets, where we have a presence to cater both the ethnic food aisles and the needs of Indian diaspora.

Key threats to our business include changing consumer preferences, volatility in commodity and currency and concentration of retailers in developed markets. We run multiple factories and operations across the world and engage thousands of workers daily. Employee and support system safety is a key focus in this environment. Although we plan on ensuring business continuity at every level, the continuation of crisis can have long-term demand and supply implications which is difficult to predict at this point in time.

We are exploring opportunities to expand our Indian products in the International markets where we have a presence to cater both the ethnic food aisles and the needs of Indian diaspora.

2.4 Growth drivers

2.4.1 India

Completion of Integration of Packaged Beverages and Food business

A dedicated team was created to ensure successful integration of businesses with focus on holistic, intrinsic transformation exercise to adopt best in class processes and make structural changes for future ready organization. The combination of the sales and distribution networks of the two businesses was one of the largest exercises undertaken to drive future capability building, customer centricity, sales growth, and synergy realisation for Tata Consumer Products. A multi-category sale and distribution organisation was designed to ensure expanded coverage at a reduced cost to serve. This involved consolidation of Carrying and Forwarding Agents (CFA), distributors, expansion of dedicated feet on street, realignment of channel margins and terms of trade and expansion of rural feet on street.

In modern trade and alternate channels as well, exclusive distributors were appointed, and a direct servicing model was adopted in select accounts. The business expanded its direct reach rapidly during the year with addition of feet-on-street and productivity improvement drives. In FY 2020-21, we consolidated the base of channel partners and de-layered the channel structure by leveraging technology. A sales enabling organisation was also put in place to support the growth objectives with focus on shopper marketing and sales analytics. We continue to focus on building capability for the future in the sales and distribution system with focus on fundamental metrics to sustain and grow our distribution strength.

In order to support the sales transformation, the supply chain network was also restructured with the CFA locations for Foods and Beverages businesses consolidating during the year. We undertook a modernisation of the ERP system by implementing SAP S4 HANA as part of the digital agenda. S4 HANA is the latest offering from SAP systems, which has the latest technology and feature set, supports faster and real-time analytics and better decision-making. With one single instance of SAP system being implemented across our businesses, we will be able to harmonise our global processes on a single digital platform (currently rolled out in India and underway for other geographies).

Beverages

India Beverages business grew by 36%

The India beverages business (including NourishCo which became a subsidiary in this financial year) grew 36% with 12% volume growth in branded tea business. The higher increase in value is due to price increases to partly offset rise in commodity costs during the year as well as higher growth in the Premium segment. The business also saw an increase in share (both value and volume) supplemented by increase in direct outlet reach (including rural) and quality of distribution. We continued to invest behind brands with state-specific hyperlocal strategy and had limited edition festival packs for our Tata Tea Gold and Premium brands. To strengthen our presence in the super premium segment, we made two launches: Sonnets by Tata Coffee (premium roast and ground coffee segment for coffee connoisseurs) and 1868 by Tata Tea (exclusive range of luxury teas across India to celebrate the legacy of Tata group). We saw significant growth in e-commerce channel, while general trade continues to grow well. We also accelerated our Coffee agenda in the second half of the year with new campaign support.

We acquired our JV partner's 50% shareholding in NourishCo and made it our wholly owned subsidiary. The acquisition gives us the rights to the Tata Gluco Plus, the flagship brand under the fold and also the company's supply chain and Go-To-Market (GTM) system, which is currently focused on Tamil Nadu, Orissa, Telangana and Andhra Pradesh. We believe that the footprint of this very successful brand, which operates in only 25% of the addressable market can be grown significantly by expanding the supply chain and GTM. This would then create a platform for water and a broader portfolio of healthy ready-to-drink beverages, which are even more in trend because of the current crisis. Inspite of the pandemic, the business finished the year with top-line at par with FY 2019-20, on the back of growth commencing in the third quarter. The highlight of the year was the expansion of Tata Water Plus which saw good growth in volumes. GTM and supply expansion outside of the core geographies of Andhra Pradesh, Telangana, Orissa and Tamil Nadu yielded good results for Tata Gluco Plus. We transitioned Himalayan from 3P to a company-owned distribution and initial results were ahead of expectations. Going forward, this is expected to be a significant enabler for driving profitable growth for the brand. The business re-launched Tata Fruski in micro markets in Andhra Pradesh and Telangana towards the end of the year with 3 offerings: Mango Masti, Lemon Masala and Jeera Masala.

Food

Food business grew by 18%

Tata Salt continued to strengthen its market leadership and grew value share by 1.8% points

Completed the acquisition of Kottaram Agro Foods (Soulfull)

The Food business grew by 18% during the year led by the Salt, Pulses and Spices portfolio and driven by increase in direct distribution and improvement of brand health with differentiated communication. Tata Salt further strengthened its market leadership position with value share increasing by 1.8% points to 33% (Nielsen) in the packaged salt category. We were sponsors on the game show, Kaun Banega Crorepati on Sony Television and used the platform to promote Tata Salt ('Ask the Expert' lifeline in every episode as Tata Salt Intelligent expert) and increase awareness for our premium/value-added salts (Tata Salt Lite and Rock Salt). The new product portfolio of poha and Nutrimix categories also grew well and were expanded in range during the year.

We acquired Kottaram Agro Foods (owner of the brand Soulfull), which has a portfolio of millet-based products for adults and kids. We will see full year impact of the acquisition in FY 2021-22.

TATA Starbucks JV

39 New store openings in FY 2020-21

Presence across 18 Indian cities

Tata Starbucks, our 50:50 JV with Starbucks, was significantly impacted due to lockdown restrictions. While the initial months were adversely impacted, we saw progressive recovery of sales in the latter months. We crossed the 200th store milestone and added 39 new stores in the current fiscal and are now present in 221 stores across 18 cities in India.

2.4.2 International

During the financial year, International Business grew by 8% (1% in constant currency). Excluding Food Service and Out-of-Home sectors which were impacted by Covid pandemic, International business grew by 12% (5% in constant currency) mainly driven by Retail and Online segments with volume growth of 7% in Branded Coffee and 1% in Tea. There was concerted effort made to push innovation/new product launches to attract new consumers to the Tetley and Eight O'Clock brand umbrella.

International business grew by 5% in constant currency basis (excluding Food Service and Out-of-Home sectors which were impacted by Covid pandemic)

Product innovation focus with the new 'Supers' range in Canada, 'Good Earth' range in UK and 'Herbals' range in US

Exited Foodservice operations – Empirical (USA) and MAP Coffee (Australia)

The businesses were positively impacted, recording an increase in retail sales, for company and category, led by pantry loading due to lockdowns owing to the pandemic. The products targeting the health and immunity building credentials performed well – Supers (Canada) and Herbals (UK). This was partly offset by decline in Out-of-Home and foodservice/institutional sales as we entered a new normal of working from home – mainly impacting our Empirical business (USA) and MAP Coffee (Australia). We exited both the businesses in FY 2020-21 as part of our strategy to focus on core branded plays.

We launched new brand in UK – Good Earth Tea (currently mainly available in US and Australia). This will be our third brand in Tea in UK that is positioned in the premium segment (Tetley - mainstream and Teapigs - super premium). For the current year, it was available exclusively in Sainsbury, online (own website) and across select Out-of-Home/High Street outlets. The product was well received, and by March 2021 had gained ~1% share in Sainsbury.

2.4.3 TATA Coffee

During the fiscal, Tata Coffee Limited (including its subsidiary in Vietnam) witnessed a ~ 14% revenue growth (in constant currency), led by plantation business and increase in capacity utilisation of the freeze-dried plant in Vietnam by way of onboarding of new customers and increasing size of business with existing base (reached ~90% capacity).

2.5 Road ahead

Post the integration, we are ready to leapfrog our India businesses, by means of strengthening the distribution model by leveraging the Go-to-Market infrastructure for growing Beverages and Food businesses.

In the short term, we will gauge the economic recovery from the pandemic, especially across the International markets. We will continue to closely monitor the on-ground situation and focus on innovation to build scale in non-black tea portfolio and coffee.

We are also closely monitoring costs across the supply chain for further efficiencies, which can then be invested back in the business to build growth.

2.6. Sustainability

Sustainability continues to form the core to our vision.

- We are committed to sustainably source all our teas and encourage our supply chain partners to follow sustainable agricultural practices in the certification of Rain Forest Alliance (International markets) and trustea programs (India). All our Tetley tea is 100% Rainforest Alliance certified in the International markets since 2016.

- We were also recognised for our sourcing practices in the tea industry by CII Food Future Foundation (FFF) National Award for Sustainable Sourcing 2020. We won the award for 'Outstanding Performance' in the Category of 'Sectoral Value Chain on Tea'.

- We are dedicated to supporting a thriving, profitable and sustainable Malawi tea industry for producers, workers and smallholders. The Malawi Tea 2020 partnership brings together a coalition to achieve a competitive and profitable Malawian tea industry. The 5-year Tetley - UNICEF Project for Early Childhood Development in Malawi tea estates was launched on 20th November (World Children's Day).

- We have a change strategy focused on sustainable agriculture for climate change adaptation, sustainable forestry for climate change mitigation, energy efficiency and renewable energy. We are one of the Indian companies recognised on the CDP India 2020 in A List, that was released recently. Our carbon footprint or Green House Gas (GHG) emission (Scope 1 and 2) was audited by British Standards Institute, where we recorded a 26% decrease between 2010-2020.

- We aim to support development programmes for 1 Million community members by 2023. As part of this, we provide affordable healthcare to over 100,000 tea community members annually through our hospitals in Munnar (Kerala) and Chubwa (Assam). The hospitals were equipped to manage emergencies and COVID-19 cases by improving the healthcare facilities and building capabilities among medical professionals. The Improving Lives Program with UNICEF-ETP is facilitating better health, nutrition, water and sanitation, education and empowerment with life skills to adolescent girls and women in over 200 tea estates in Assam.

- Our flagship water project, 'Project Jalodari' was put in place to create sustainable water sources, raise awareness and build capacities on water and sanitation in the communities of Himachal Pradesh and Assam. We partnered with Tata Chemical Society for Rural Development to improve the lives of the communities in Gujarat towards water security, environment preservation, sustainable agriculture and livelihoods.

- We are committed to ensuring a circular economy focused on reducing the impact of plastic packaging on the environment by shifting towards sustainable packaging for our products. During the year, we scaled up the recyclable packaging of Tata Salt products to reach 53%. We framed the Extended Producer Responsibility (EPR) for collection and reprocessing of plastic packaging waste on a brand-neutral basis across key markets. We joined the UK Plastics Pact in October 2018, which is a collaborative initiative between UK businesses across the plastics value chain, the government, and NGOs, to create a circular economy for plastics by 2025.

3. INDUSTRY AND BUSINESS OVERVIEW

3.1 India

Amid an unprecedented global situation, the Indian FMCG industry remained resilient with strong recovery after disruptions due to lockdown at the beginning of the year. Packaged staples and convenience food categories drove growth in the industry and e-commerce salience witnessed a sharp acceleration. Rural markets witnessed higher growth than urban due to shift of migrant population, government stimulus and a good monsoon.

The total Indian Food & Beverage industry is expected to be around ~Rs 3 Lakh Crores market and will continue to grow by leveraging India's favourable demographic profile (1.4 Billion-strong population, rising income levels and higher urbanisation). The Food and Beverage segment constitutes ~30% of household spending and is expected to sustain the wallet share going forward.

3.1.1 Beverages

a) **Industry Overview and Outlook**

We operate in the sub-categories of Tea, with brands like Tata Tea, Tetley, Kanan Devan, Gemini, Lal Ghoda, Kala Ghoda and Teaveda; Coffee with the brand Tata Coffee Grand; and Water with brands, such as Himalayan, Tata Gluco Plus, Tata Water Plus and Tata Fruski.

Tea

Health and wellness are steadily becoming a strong consumer trend

The branded Indian tea market is estimated to be ~Rs 26,000 Crores, with unbranded constituting 30-35% of the overall market (by value). The branded market grew by ~8% during the year despite a decline in the initial months due to the impact of lockdowns, led by tea price inflation. Tea is the favourite Indian beverage, and we continue to see growth across all tiers through upgradation from loose to economy branded tea and movement up the chain to Premium and Super Premium Teas. Black Tea is the predominant sub-category with high customer preference for taste of boiled milk tea. Green Tea is estimated to be a niche segment (~3%). Health and wellness are steadily becoming a strong consumer trend, as more of them look at the functional benefits from their cup of *chai* (Ayurveda Tea, Tulsi Tea). The e-commerce channel has emerged much stronger during the year. It is estimated that ~3-4% of tea category value sales is attributable to the e-commerce channel.

In tandem with global markets, we observed increased in-home consumption of beverages while out-of-home consumption was adversely impacted due to the pandemic. Tea category growth was adversely impacted during the initial few months of the outbreak, and has staged a strong rebound in subsequent months, led by small towns and rural areas.

Owing to the lockdown, there was decline in domestic tea production leading to commodity price inflation which was further accentuated with inclement weather conditions. However, prices eased gradually in the second half of the year; but remain higher than FY 2019-20 levels.

The tea cafes, like the hotels and restaurant chains, were impacted due to the pandemic restrictions. The focus shifted to delivery in the initial period till the gradual opening of dine-in option was allowed by the government.

Coffee

The branded retail coffee market in India is estimated at ~Rs 2,600 Crores as on FY 2019-20. Instant Coffee is the largest sub-segment and forms ~80-85% of the category and still growing as consumers continue to prioritise convenience. We are seeing emergence of artisanal and gourmet Premium Coffees estimated to be ~5% of the organized market. In terms of at-home consumption, we saw different consumer behaviours in South as opposed to rest of India. While coffee remains an aspirational product across the rest of India, there is increased demand for Instant Coffee, especially during winters. On the other hand, in South, we see regular consumption of both Instant and Roast & Ground (filter coffee).

Instant Coffee remains the largest sub-segment in the Indian Branded Coffee

South India continues to be the largest and most regular coffee consumption market in India

Water

Our brand Himalayan was the first entrant in the natural source mineral water category

Water is the largest sub-category in Non-Alcoholic Beverages globally (followed by Coffee) and second largest in India following Tea. The India packaged water market is estimated to be ~Rs 18,000 Crores. The industry was negatively impacted during the pandemic.

Within the category, we play in four segments – Fortified Water or Energy Drinks (Tata Gluco Plus), Natural Mineral Water (Himalayan), Packaged Drinking Water (Tata Water Plus) and Fruit based drinks (Tata Fruski). Our brand Himalayan was the first entrant in the natural source mineral water category and continue to enjoy leadership position in the Premium sub-segment.

Outlook

The resurgence of pandemic impacted behavioural patterns within the short term. While we don't expect the consumers to go back to pantry stocking as supply chain issues have resolved on-ground compared to first nation-wide lockdown; we anticipate the continuation of the following consumer trends: being more value conscious, continued growth of in-home consumption products (home cooking), higher priority on products with trustworthy credentials to improve health or boost immunity and increase in e-commerce penetration driven by the need for safety and convenience

In the near term, demand and supply is likely to be impacted by trends and impact of continuing COVID-19 cases in the country. However, the long-term drivers remain robust and we will see sustained expansion of the categories. We are looking at a huge opportunity to grow by building on distribution with our combined sales infrastructure (including for the new acquisition - Soulfull) and new product innovation centred on the health platform.

b) **Business Performance**

Beverages

Tea

We strengthened our leadership position in the Tea market by improving its volume market share (MAT) to 20.4% (0.6% pts improvement from last year) and value market (MAT) share to 21% (1% pts improvement compared to last year) [Source: Nielsen]. The improvement in market share was due to the significant increase in both the range and depth of outlet reach for the business. We assumed the top spot as the fastest-growing tea company in Modern Trade, backed by differentiated strategy and strong team execution. Tata Tea Premium won awards in 6 categories at the 'ET Brand Equity Shark Awards 2020', along with 'Brand of the Year 2020' (The Shark Awards recognise and reward excellence in marketing across industries in India).

The lockdown during the initial months of the year resulted in roadblocks caused by limited workforce availability and restriction in transport movement. However, we streamlined operations and strengthened our direct distribution reach by partnering with Flipkart and food delivery applications, such as Domino's Pizza and Zomato. Despite the uncertain start, the business delivered a robust volume growth of 12% and value growth of 32% (led by price increases to partially recover the increase in commodity prices). We invested behind the health and wellness portfolio with new product launches (Tata Tea Gold Care and the newly reformulated Tata Tea Tulsi Green with added Vitamin C and relaunch of Tetley Green Tea bag range as Tetley Green Tea Immune).

Our response to consumption trends

Much like last year, we launched state-specific hyperlocal campaign for our key brands - Tata Tea Premium, Tata Tea Gold (West Bengal), Chakra Gold, Kanan Devan, Gemini and Tata Tea Agni, to establish stronger connect with the consumers as well as win in their key states. For Independence Day, we launched a special, limited-edition 'Desh Ka Kulhad' collection that promoted the work of Indian artisans, who were severely impacted by the pandemic. The hand painted *kulhad* (traditional Indian terracotta cups used for *masala chai*) showcased the rich cultural heritage and diversity of various Indian states.

We launched state-specific campaigns by launching state specific limited edition festival packs – Tata Tea Gold in West Bengal during the Durga Puja festival, Tata Tea Leaf in Bihar during the Chhat celebrations and Tata Tea Premium in Delhi and Uttar Pradesh with exclusive Holi packs.

The Spice Mix portfolio (Tata Tea Elaichi and Masala) continues to perform well in the market and its Gross Sales crossed Rs 300 Crores benchmark in FY 2020-21.

In case of regional tea brands, Chakra Gold was the Official Tea Partner of Chennai Super Kings in IPL 2020, extending the celebration of the Tamil way of life. The association was amplified across mainstream media, digital, print and OOH communication besides contests and visibility drives in trade to build excitement. We ran a thematic campaign in Andhra Pradesh. Our regional brand in Kerala, Kanan Devan, also ran state-specific campaigns to improve brand equity. In Telangana, we restaged our brand, Tata Tea Gemini, with new packaging and campaign.

We further enhanced the wellness portfolio with the addition of latest wellness products TATA Tea Tulsi Green, TATA Tea Gold Care and re-launch of Tetley Green Tea bag range as Tetley Green Tea Immune. The trend for consumers to use natural herbs, ingredient/ spices and their home-made mixtures in their regular cup of tea has existed for some time now, but this has become even more relevant in the last few months.

To strengthen our presence in the Super Premium segment through the direct-to-consumer route, we made two launches during the year: Sonnets by Tata Coffee and 1868 by Tata Tea. Sonnets by Tata Coffee is a new offering in the premium Roast and Ground coffee segment and targeted to cater to the taste of coffee connoisseurs. 1868 by Tata Tea is an exclusive range of luxury teas from across India and was launched to celebrate the legacy of the Tata group.

Fastest growing tea company in Modern Trade

Strong hyperlocal blends, campaigns and packaging introduced during the year

Increased focus on health wellness through new products launched across brands

We expanded our infrastructure and commenced commercial production at our new plant in Gopalpur, Odisha to optimise our supply network and cater to our medium-term growth plans. Our Damdim Packeting Centre received the highest sectoral award for 'Outstanding Performance in Food Safety' in the 'Small & Medium Manufacturing Food Businesses - Tea' category by the Confederation of Indian Industry Award (CII) for Food Safety. For our Sampla Packeting Centre in Haryana and Pullivasal Packeting Centre in Munnar, we were awarded the Silver prize in the 6th edition of the India Green

Manufacturing Challenge (national programme developed by International Research Institute of Manufacturing to recognise sustainable factories in India). As an organisation, we were recognised with the Special Award for Building Future Ready Organisation.

Recognised for food safety by the CII

Coffee

As part of the strategy to accelerate the Coffee business, Tata Coffee Grand was supported by its new campaign 'great sounding coffee, great tasting coffee', leveraging its product truth of flavour-locked decoction crystals, which lead to a great coffee experience. The campaign ran across key states in the South zone.

Water

We acquired 100% control in NourishCo Beverages this financial year, in line with our strategy to build a larger presence in the Indian RTD Beverages segment. Our summer season sales were impacted by the pandemic linked nation-wide lockdown as it is an 'impulse' category with higher out-of-home consumption compared to other FMCG segments. However, we were able to deliver strong growth in the second half of FY 2020-21 and delivered 1% revenue growth over previous year. We improved profitability by enhancing gross margin and spend optimisations.

Two of our brands, Tata Gluco Plus and Tata Water Plus, delivered growth, despite challenges. During the year, we also invested behind the GTM infrastructure for Tata Gluco Plus to prepare ahead of the upcoming summer season and commissioned two new plants for Tata Water Plus to plan for new market entries.

For Himalayan, we successfully transitioned to our own network without any loss of business and added new accounts for the brand in the second half of FY 2020-21 (outlet coverage increased greater than 75%). However, the brand underperformed against expectations with low occupancy rates in hotels and restaurants impacting offtake volumes.

We re-launched the pilot for 'Tata Fruski' to capture the essence of Indian street flavours in Hyderabad and Vizag. It was launched in three SKUs – Lemon Masala, Mast Mango and Jeera Masala in two pack sizes. The initial response was encouraging, and we will be looking at learnings from the two cities before pivoting it for a larger launch in India.

Tata Cha, the Company's foray in the Out-of-Home Tea space, has increased presence from 6 stores last year to 12 stores in Bangalore. The stores were opened in second half of the year and include two Dark Kitchens (only Delivery model) and an outlet in the Bangalore Airport, with encouraging first month performance. We launched a campaign on interesting stories on different types of *chais* (teas) consumed in various parts of India (For example: *Chatpata Churan Chai* from Kolkata, Ginger *Chai* from Delhi and Mumbai's *Masala Chai*). The business had saw a challenging start in FY 2020-21 as a result of the lockdown. However, it has seen sequential month-on-month recovery as stores were allowed to open (with seating restrictions) and re-starting of deliveries. By the end of March 2021, for our stable stores, our sales reached 95% of the previous year levels. We have also looked at cost optimisation initiatives, including rent negotiations to offset the decline in revenue.

Tata Water Plus and Tata Gluco Plus delivered growth. We transitioned Himalayan to our own GTM network

Opened 6 new stores for Tata Cha around India

3.1.2 Food

a) Industry Overview and Outlook

The Food and Beverages segment continued to drive growth for the FMCG industry in FY 2020-21, with packaged staples industry outpacing the growth of the industry. Consumption growth was led by rural due to a good monsoon and government initiatives and investments.

The Indian staples industry is largely unorganised with share of branded players at less than 10%. The overall health, hygiene and wellness concerns are expected to give a fillip to the shift from loose and unorganised to branded consumption of food.

Salt

Within the staples category, Indian Branded Salt market is estimated to be ~Rs 6,000 Crore. We have a strong presence in the category with Tata Salt, our vacuum evaporated salt sold nationally, i-Shakti salt, our lower-priced solar evaporated salt normally sold in South) and range of value-added premium salts (Tata Salt Lite, Black Salt, Rock Salt, among others). Our supply partners, Tata Chemicals have the largest manufacturing facility for producing vacuum evaporated salt in India.

Consumers are upgrading from loose and unbranded to packaged and branded iodised salt, and from local brands to regional and national brands. Awareness on purity and micronutrient delivery is the key growth driver for Tata Salt, even as we increasingly cater to health-conscious consumers with lower sodium alternatives like Tata Salt Lite, iron and iodine-fortified salt like Tata Salt Plus and mineral-rich rock salt and black salt. I-Shakti and crystal salt are being used to drive penetration and growth in South markets.

Leveraging consumers' shift from loose, unorganised to branded and packaged salt

Strengthened health and wellness proposition with lower iodine and value - added alternatives

Pulses

India is the largest producer (~25% of global production) and consumer (27% of global consumption) of pulses. The Indian Pulses and Derivatives industry is growing at around 10% with a high penetration of loose and unbranded products in households. The industry is estimated to be larger than 1.5 Lakh Crores with only 1% of the segment being branded. Tata Sampann is the pioneer and the first national branded player in the category and enjoys a high brand affinity among its core consumer segment.

The trend towards migration from loose to packaged pulses and besan has been fuelled by increasing preference for better quality packaged products, launch of differentiated products (Tata Sampann Unpolished Dals, Tata Sampann Low Oil Absorb Besan, and organic range of pulses) and growth in number of organised players entering the category, thereby, expanding the base. The trend has been further amplified following the pandemic due to the need for safe and hygienic products offered by the organised industry. We saw the demand for pulses go up due to increase in home consumption. Prices in the industry remained volatile during the year and soared in second half of FY 2020-21 due to lower than expected yield.

Tata Sampann is the pioneer and the first national branded player in the category

Spices

Branded spices in India is a Rs. 17,000 Crores industry, as recorded in FY 2019-20. It is a highly contested marketplace with multiple regional or local leaders of scale with single-category businesses. Straight/Pure form the significant share of the market, with competitive intensity from loose players, while Blended spices are mainly branded with loyal consumer base, driven by higher convenience and certainty of taste. There is an increasing demand for branded products with consumers looking at improved quality products in Straight/Pure spices (with better quality of raw materials used) and increasing adoption of Blended spices in kitchen (higher convenience and certainty of taste).

With rising in-home consumption of spices, consumers have become more conscious of the quality and purity of spices and are keen on knowing about the source of raw materials, further accentuated by the pandemic. The role of Indian spices in building immunity has been known for ages and the pandemic also reinvigorated the discussion on traditional recipes and usage of spices to strengthen immunity. For instance, curcumin found in turmeric has anti-inflammatory properties that are known to prevent flu; and chilli is known to be a rich source of Vitamin C, which essentially supports the immune system.

Snacks / Ready to Cook

Snacks is a Rs. 81,000 Crores segment with high share of branded play (ready-to-cook is all branded in comparison to Snacks). The growth is being driven by more players entering the segment and offering consumers different taste choices, including healthier food and convenience (For example: Tata Sampann Chilla Mix, millet-based breakfast cereals). During the pandemic, growth was accelerated with lifestyle changes like work from home, at home consumption of convenience foods, higher preference for healthier alternatives and ready-to-cook options. Focus on health and wellness is also reflected in the increasing importance of natural ingredients and functional propositions like protein.

Outlook

Conversion to branded packaged food will accelerate in post-COVID-19 era. Health and immunity building categories in Food business continue to witness sustained growth even following the lockdown. This trend is likely to continue in the near term. Cooking in home meals will be higher than pre-COVID-19 times, despite lesser restrictions and increase in eating out/ordering in occasions.

b) **Business performance**

Our Food business grew in strong double digits across the Tata Salt and Tata Sampann portfolio.

Tata Salt further strengthened its market leadership position with value share increasing to 33% (Nielsen) in the packaged salt category. The brand is distributed across 22.8 lakh outlets and 186 million households across the country making it the largest distributed brand in the country. TATA Salt was awarded the ‘Most Trusted Brand in India’ by consumers in the ‘Brandzsurvey’ done by WPP and Kantar, won 2 metals (Gold and Silver) at WOW Asia Awards and won 5 Golds and 6 Silvers at Flame Awards 2020, organised by Rural Marketing Association of India. We also won two accolades at the Indian Digital Marketing Awards.

We invested behind the brand reinforcing and extending our #NamakKeWaastey, #MissingI and #SawalDeshKiSehatKa campaigns through the year. We collaborated with popular television show Kaun Banega Crorepati and branded the ‘Ask the Expert’ lifeline in every episode as Tata Salt Intelligent expert. Tata Salt Lite was the official Health Partner for Kaun Banega Crorepati and the proposition for rock salt was also communicated in the programme on both television and the Sony Liv application. Fresh communication was launched to dial up the importance of right amount of iodine in the mental development of children through the #NoBigDeal campaign for the South market and #SawaalDeshKiSehatKa campaign nationally. Media promotions were supported with visibility drives in the market to maintain and expand availability across key markets.

The Tata Sampann brand launched the #SpiceUpYourHealth campaign and featured the brand ambassador, Sanjeev Kapoor to communicate how inherently present natural oils are known to enrich Tata Sampann spices with essential health benefits. The TV campaign called out the brand’s promise of delivering *Sarvagunn Sampann* (endowed with every good quality) ingredients with natural goodness. The brand reached out to consumers through innovative initiatives like #BeatTheLockdown, which launched live sessions and videos from renowned experts in psychology, yoga and nutrition science, to help consumers stay fit and nourished throughout the lockdown. Another campaign *‘Har Din Haldi, Har Ghar Healthy’* focused on helping consumers build immunity through the common Indian spice turmeric and showcased cool, new ways of using turmeric every day.

Apart from the Pulses and Spices portfolio, the newly launched portfolio of Mixes and Poha also showed strong traction and consumer offtake. We launched Poha nationally during the year. We test launched a host of new food product categories in the e-commerce domain, which includes Supergrain nutrimixes *(Ragi Idli, Dosa, Idli, Moong Dal Vada)*, *Dhokla* nutrimix (made with unpolished dals), *Haldi-Doodh* mix (based on immunity platform), *Masala Daliya* Khichdi mix (the comfort food with fibre goodness) and High Fibre Thin *Poha*.

During the pandemic, we started adopting direct to consumer selling methods, using our own digital platform, Nutrikorner. This helped engage with our consumers on food and health along with helping establish our brand message.

Five of our units in Food received the CII Award for Food Safety, which is a platform to promote internationally benchmarked practices on Food Safety in small, medium and large food businesses and to build capacity in the food chain.

In February 2021, we also acquired 100% equity shares of Kottaram Agro Foods, owner of the brand 'Soulfull' with a portfolio of millet-based products for adults and kids. We see Soulfull as a strategic fit with our food and beverages portfolio in terms of pipeline expansion (Soulfull products address breakfast and snacking options) as well as being margin accretive. Soulfull is one of the fastest growing brands in the India's 'Better for You' packaged food segment and has strong presence in select urban cities.

Millets require minimal resources (water, fertiliser and pesticide), are sustainable for land and environment and are grown by dryland farmers extensively. Being coarse grains with rancid nature, they are difficult to process and are less preferred by contemporary urban consumers. With its superior R&D capabilities, Soulfull has processed millets into various products appealing to health and wellness needs of the upwardly mobile Indian consumer, creating a pull for millets.

In order to drive complete synergies, we renamed it as Tata Consumer Soulfull Private Limited and the brand to Tata Soulfull. In the next year, we aim to synergise the distribution and supply chain operations with the larger Tata Consumer infrastructure to optimise the cost base.

3.1.3 International Beverages

a) **Industry overview and outlook**

Tea

As per Euromonitor estimates, Global Hot Tea category is a US$45 billion industry. Black/Everyday Black Tea forms the largest category sub-segment globally followed by Non-Black segments (Green, Fruit & Herbal, Decaf, Specialty, Cold Infusions, among others). During the pandemic there was an increase in at-home consumption led by pantry loading during the lockdowns and limited/restricted opening of offices, bars and restaurants. This translated to volume growth in retail segment, including in Everyday Black, which is in contrast to the decline trend seen in last few years. However, Out-of-Home and Institutional channels witnessed significant drop in volumes.

Health and wellness remains one of the key focus areas of the industry. There was higher focus on functionality, such as ingredients improving immunity, for example, turmeric, moringa, herbals, owing to which we saw good response on Super Teas.

E-commerce recorded significant growth with acceleration fuelled by lockdowns and consumers' preference of the safety of purchasing online in comparison to maintaining social distancing in physical stores.

Coffee

Retail Hot Coffee is ~2x the size of Tea. USA is the largest coffee market - estimated at ~US$ 11 Billion and is leading the category growth. Coffee has four sub-segments: Roast & Ground, Beans, Pods and Instant Coffee. Affordable ground and instant formats are more prevalent in Tea drinking markets like Asia, Africa, UK and the Middle East while Roast & Ground and Pods are more prevalent in countries with an evolved café culture (for example: USA, Western Europe). We have presence across two Coffee categories, in the USA with Eight O'Clock coffee brand and India with Tata Coffee Grand.

Like Tea, US Coffee also witnessed an increase in retail volumes while, foodservice and Out-of-Home were significantly impacted.

Outlook

We are now witnessing normalisation of market scenario with lower growth in retail volumes in both US and India, compared to a year ago especially in Everyday Black. During recent lockdowns, we also saw decrease in the level of pantry stockpiling as consumers were less worried about stock availability. With this, we will see an increase in competitive activity (including among retailers, grocery and discounter channels) as well as higher promotional intensity between different players. Innovation will play a key role both in terms of growth in the segment and for us at Tata Consumer Products.

b) **Business Performance**

UK

In the beginning of the financial year, there was huge increase in demand with consumer stockpiling as a result of lockdown and some of our competitors struggled from the pressures on the supply chain.

While we saw challenges in our supply chain, we were able to manage the bottle necks with measures like running factory 24/7 to meet significantly higher weekly demand, direct supply to retailers as our outbound supply partners were finding it difficult to transport to retail distribution centres. This allowed us to capitalise on the growth opportunity to improve distribution (share within store and higher number of stores).

We launched a new brand in UK – Good Earth Tea (currently mainly available in US and Australia). This will be our third brand in Tea in UK and in terms of price positioning, will straddle between Tetley (mainstream) and Teapigs (Super premium). The brand made its debut with a portfolio of expertly crafted teas and bubbly kombucha (carbonated tea drink), each made with natural, bold flavours with on-trend ingredients and a bold new packaging. The focus of the brand will be on Green and Fruit & Herbal, both popular among younger and health-conscious consumers. In FY 2020-21, it was available exclusively in Sainsbury as part of their Future Brands initiative (which nurtures challenger brands that offer more unique and innovative ranges), online (own website) and select Out-of-Home/High Street outlets. The product was well received, and by March, gained ~1% share in Sainsbury.

We launched a new campaign for our Tetley Cold Infusions range during the summer months in the UK around the core message of 'Add a little fruitiness to your water'. The campaign aimed to increase awareness and education of the range, as well as drive trial and repeat purchase. The digital campaign was shot and edited at home due to COVID-19 with influencer-talent, Georgia, Binky and Megan; and was supported by magazine sampling.

Six of our Tetley products in the UK won The Great Taste Awards in 2020, organised by the Guild of Fine Food (acknowledged benchmark for fine food and drink). We received a one-star accreditation, which means that our products are 'simply delicious and deliver fantastic flavour.' The products include Tetley Decaf, Tetley Redbush Pure, Tetley Super Fruits Multivitamin Summer Berries and three SKUs of Tetley Cold Infusions (Raspberry & Cranberry, Mint, Lemon & Cucumber and Strawberry & Watermelon).

During the pandemic, we also contributed to the UK Government's Department for Environment, Food & Rural Affairs (DEFRA) care packs, which were delivered weekly to the 1.5 Million people identified as the most vulnerable in the UK. We continued to supply tea to frontline health and emergency staff and patients within the NHS. We provided monetary support to Grocery Aid and were recognised with a Gold Grocery Aid award for the same (GroceryAid is a charity which provides help and support to people who work, or have worked, within the grocery industry either for a retailer, wholesaler or manufacturer).

USA

In Coffee, we continued to focus on scaling up the innovations - Barista Blends, Flavors of America and Early Riser (premium in value segment dominated by Can segment). During the year, we launched new blend – Café Arriba, Latin-inspired premium coffee flavours, targeting the Hispanic consumer base in SKU formats – Café Espresso (dark medium roast) and Churros Y Chocolate (flavours of sweet cinnamon pastry and chocolate finish). We also launched pods in new 32-count packaging format and received good results.

In tandem with the UK market, we launched Good Earth Sensorial Blends in USA which captured bold flavours in a new biodegradable packaging with eight new SKUs. The blends have gained good traction.

During the fourth quarter, we exited from our JV partnership agreement with Harris Tea for Empirical and Southern Tea by selling our interest to our partner, in line with our strategy to focus on core branded business in international markets. Empirical is engaged in the business of primarily selling white label tea and coffee in the foodservice channel and contract customers. Southern Tea is a manufacturing entity which supplies to both JV partners (in Tata Consumer: Empirical, Tetley and Good Earth brands) and following the transaction, will continue to manufacture for Tetley and Good Earth brands.

Canada

During the year, with the pandemic, similar to other markets, the Tea category witnessed growth (both volume and value) with higher in-home consumption, in both Mainstream Black and Non-Black segments. We witnessed growth in revenue and share led by Mainstream Black and Non-Black (led by superlative performance of Super Teas). The functional benefit provided by the Super Teas, resonated well with the Canadian customers and we saw monthly shares hitting little shy of 5% share in the segment.

The current year was the first full year the Cold Infusion range being in markets, which was supported by advertising 'Unbore your Cold Water' featuring Canada's Olympic Gold Medallist, Penny Oleksiak. The campaign was centred on the idea that just as Penny adds excitement in water so does Tetley Cold Infusions. The product was received well.

Australia

During the year we delivered mixed performance in Tea – increased share in Mainstream Black segment, despite temporary shortage caused due to lower inventory of stocks led by panic buying and delay in shipping from India due to the pandemic. However, our key new product - Cold Infusions performed poorly as the segment witnessed significant decline with the pandemic. Similar to USA, we exited the MAP Coffee business in Australia, engaged primarily in foodservice and will continue to focus on Tea.

Launched Good Earth in UK – premium price positioning with focus on Green and Fruit & Herbal teas

Continued to drive innovation across markets

3.1.4 Non-Branded business / B2B

The plantation business of Tata Coffee Limited witnessed ~22% growth with improvements seen across Tea, Coffee and Pepper. The business also faced its fair share of challenges during the pandemic, lower production on account of nationwide lockdown in the initial months and bad weather conditions (Q2 FY2020-21), shortage of labour availability due to travel restrictions and volatility in commodity prices (while tea prices surged, Arabica and Robusta coffee hit lows). We focused on diversification initiatives and cost optimisation during the year, which helped in improving the overall performance.

In our Coffee Extraction business – Domestic Extraction was severely impacted while our Vietnam plant delivered 72% growth (in constant currency) with higher volumes (plant operated at near-peak capacities and reached capacity utilisation of ~90%).

The Domestic Extraction business suffered due to loss of production in the beginning of the year on account of shutdown with a nationwide lockdown, lower demand from customers with decline in out-of-home consumption during the pandemic and delay in dispatches due to unavailability of containers and increase in oceanic freight rates.

Both of our plants in Domestic Extraction business received industry recognition from CII- SR for FY 2020-21. Theni unit received excellence 4-star rating award for our Commitment to Environment, Health & Safety (EHS) while Toopran Unit received excellence 3-Star rating award in the same category.

Road ahead

In the short-term, we see continued stress on our Coffee Extraction business, impacted by decline in demand from international markets, stemming from the COVID-19 crisis. In the Plantation business – Tea will be impacted by normalisation of prices after the surge seen last year due to lower production with lockdown measures being implemented. The business outlook is expected to improve as markets normalise.

Vietnam facility delivered 72% growth (in constant currency) and operated at ~90% capacity

Both our plants in the Domestic Extraction business was recognised by CII-SR for EHS excellence

3.1.5 Others

Tata Starbucks

The financial year was challenging for our Retail operations as a result of prolonged lockdown, night curfews and restrictions on dine-in seating capacity to maintain social distancing. However, we saw month-on-month improvement in metrics with March 2021 being greater than previous year levels. While we ended the year with lower revenues than previous year, we were able to partly mitigate the impact on profitability with help of cost initiatives like rent negotiations. We were also recognised as India's top 10 workplaces in Retail, 2021.

Tata Starbucks kept up the momentum on expanding the store base to 221 stores with addition of

39 new stores during the year. We crossed the 200th store milestone by opening in new city - Amritsar, Punjab. We also entered two new cities – Lucknow and Chandigarh. We are now in 18 cities across India.

We experimented with new format, drive-through store at Dhillon Plaza, Singhpura in Zirakpur (next to Chandigarh-Ambala highway). The launch was supplemented by digital marketing campaign.

As a pioneering initiative in the industry, Tata Starbucks announced two stores in India operated entirely by women in Delhi and Mumbai. This reaffirms ongoing commitment to promoting an inclusive and diverse workforce by empowering women leaders and an important part of our efforts to achieving 40% gender diversity by the end of 2022.

Road ahead

In the short term, revenue (average daily transactions) will be impacted by the pace of opening of economy (opening of offices, malls, travel and tourism). In the medium-term Starbucks will continue with the accelerated store growth agenda and enter new cities. There will be renewed focus on digital and omni channel partnerships to drive sales and cost initiatives to streamline operations.

FINANCIAL REVIEW

4.1 Consolidated Business

Key financials

- **Revenue from operations** stood at Rs. 11,602 Crores, higher than the previous year by 20% with growth in both Branded and Non-Branded business.

  - India Beverages Business grew by ~36%, led primarily by Tea (volume growth of 12% and value growth of 32%) and inclusion of NourishCo as a subsidiary.

  - India Food Business grew by ~18% with all business segments growing led by Salt and Pulses.

  - International Business grew by 8% (1% in constant currency). Excluding Food Service and Out-of-Home sectors which were impacted by Covid pandemic, International business grew by 12% (5% in constant currency) mainly driven by Retail and Online segments with volume growth of 7% in Branded Coffee and 1% in Tea.

  - Non-Branded Business revenue grew by 15% (13% in constant currency) driven by higher capacity utilisation of Vietnam plant coupled with improved performance in both tea and coffee plantations.

- **Earnings before interest, taxes and Depreciation & Amortisation** (EBITDA) at Rs. 1,569 Crores, higher than the previous year by 20%.

- **Profit before exceptional items and taxes** (PBIT) at Rs. 1,342 Crores, higher than the previous year by 24%.

  - India Beverages: Improvement in profit from operations mainly due to higher sales and rationalisation of expenses while it recorded higher spends on brand building and was significantly impacted by record tea cost inflation in India. India Food business saw an improvement in profit, led by higher sales and good management of spends

  - International Branded saw significant improvement in profits, led by sales, gross margin expansion (due to better management of commodity costs) and cost reduction initiatives across businesses (including overheads), which was partly offset by higher advertisement spend to support brands

  - Non-Branded Business witnessed significant enhancement in profits, attributable to higher profits in Tata Coffee Limited led by growth in plantation segment and higher revenue driven improved performance in Vietnam.

- **Exceptional items** include restructuring and re-organisation costs mainly relating to integration of India Food and Beverages businesses, loss on disposal of businesses (Empirical LLC, Southern Tea and foodservice operations in Australia), partly offset by gain with conversion of NourishCo Beverages from JV to subsidiary operations.

- **Group net profit for the year** stood at Rs. 930 Crores, significantly higher than the previous year driven from improved operating performance coupled with lower exceptional items and lower share of losses from associates and JVs.

- **Earnings per share** is at Rs. 9.30 for the year as compared to Rs. 4.99 in the previous year. EPS for the year is higher primarily led by higher profits generated during the year and lower exceptional costs.

Performance Snapshot

The consolidated financial highlights for FY 2020-21 are as follows:

Rs. in Crores

Particulars	FY 2020-21	FY 2019-20	Change
Revenue from operations	11,602	9,637	20%
Operating profit before depreciation and amortisation (EBITDA)	1,569	1,310	20%
EBITDA %	13.5%	13.6%	-0.1
Operating profit (EBIT)	1,315	1,069	23%
EBIT %	11.3%	11.1%	0.2
Profit before exceptional items and taxes	1,342	1,084	24%
PBT *(bei)*%	11.6%	11.2%	0.4
Exceptional items (net)	(31)	(275)	-89%
Profit before tax	1,311	809	62%
Profit after tax	994	535	86%
Share of JVs and associates	(63)	(75)	-16%
Group net profit	930	460	102%
Net profit margin%	7.9%	4.7%	3.2

Rs. In Crores

Particulars	FY 2020-21	FY 2019-20	Change
Net worth	15,627	14,907	5%
Operating capital employed	13,191	13,145	0%
Goodwill	7,597	7,334	4%
Brand (indefinite life)	2,093	2,093	0%
Borrowings	1,207	1,256	-4%
Cash and cash equivalents including current investments and ICDs	3,589	2,578	39%
Net cash/(Debt)	2,383	1,321	80%

Key Financial Ratios	FY 2020-21	FY 2019-20	Change
Return on Operating Capital Employed (RoCE)	10%	8.1%	1.9
Return on Operating Capital Employed, excluding Goodwill and Brand (indefinite life)	37.5%	28.7%	8.8
Return on Net Worth (RoNW)%	6.0%	3.4%	2.6
Basic EPS (Rs./Share)	9.30	4.99	86%
Debtors turnover (Days)	26	32	19%
Inventory turnover (Days)	105	117	10%
Interest coverage ratio	20.53	14.92	38%
Current ratio	1.59	2.05	-22%
Debt equity ratio	0.08	0.08	0%

Note: Change in Return on Net profit margin and Net Worth (RoNW) is mainly on account of improved operating performance and lower exceptional items. Change in Interest Coverage ratio is on account of softening of interest rates and lower requirement of working capital loans.

4.2 Standalone India Business

Key Financials

- **Revenue from operations** at Rs. 7,154 Crores, higher than the previous year by 26%. This was driven by volume growth of ~12% in the Indian Branded tea portfolio, which was seen across different type of brands i.e. Economy and Premium. The Food business grew at ~18% in value terms with Salt volumes growing by 11%.

- **Earnings before interest, taxes and depreciation and amortisation** (EBITDA) at Rs. 919 Crores, higher than the previous year by 14%.

- **Profit before exceptional items and taxes** (PBIT) at Rs. 897 Crores, higher than the previous year by 15%. Growth led by higher sales in both Beverages and Food business despite decline in gross margin for the beverages business impacted by record tea cost inflation and higher investment behind brands.

- **Exceptional items** of Rs. 61 Crores represents restructuring and re-organisation costs, which mainly includes costs related to integration of the India Beverages and Food business.

- **Profit after tax** at Rs. 620 Crores, higher than the previous year by 18% led by improved operating performance, lower tax rate, partly offset by higher exceptional expenditure.

Performance Snapshot

The standalone financial highlights for FY 2020-21 are as follows:

Rs. In Crores

	FY 2020-21	FY 2019-20	Change
Revenue from operations	7,154	5,690	26%
Operating profit before depreciation and amortisation (EBITDA)	919	806	14%
EBITDA %	12.8%	14.2%	-1.4
Operating profit (EBIT)	793	692	15%
EBIT %	11.1%	12.2%	-1.1
Profit before exceptional items and taxes	897	781	15%
Exceptional items (net)	(61)	(52)	17%
Profit before tax	836	729	15%
Profit after tax	620	524	18%
Net Profit Margin %	8.5%	9.0%	-0.5

Rs. in Crores

	FY 2020-21	FY 2019-20	Change
Net worth	11,224	10,850	3%
Operating capital employed	6,915	7,249	-5%
Goodwill	3,579	3,579	0%
Brand (indefinite life)	2,093	2,093	0%
Borrowings	-	35	-100%
Cash and cash equivalents, including current investments and ICDs	1,916	1,475	30%
Net cash/(Debt)	1,916	1,440	33%

Key financial ratios	FY 2020-21	FY 2019-20	Change
Return on Operating Capital Employed (RoCE)	11.5%	9.5%	2
Return on Operating Capital Employed, excluding goodwill and indefinite brand	63.8%	43.8%	20
Return on Net Worth (RoNW)%	5.6%	4.9%	0.7
Basic EPS (Rs./Share)	6.72	5.68	18%
Debtors turnover (days)	15	19	21%
Inventory turnover (Days)	90	101	11%
Interest coverage Ratio	32.90	31.36	5%
Current ratio	1.39	2.01	-31%
Debt equity ratio	-	0.00	-100%

Note: Change in Return on Net Worth (RoNW) is driven by improved profitability. Change in Current ratio is led by better working capital management.

RISK MANAGEMENT

At Tata Consumer Products, our Board of Directors has formed a Risk Management Committee to frame, implement and monitor the risk management plan. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Committee considers the risks that impact mid to long-term objectives of the business, including those reputational in nature.

We have an elaborate risk charter and risk policy defining risk management governance model, risk assessment and prioritisation process. The Risk Management Committee adopted a follow-up risk management framework to review and monitor the key risks and their mitigation measures periodically and provide an update to the Board on Company's risks outlined in the risk registers. The Audit Committee has an additional oversight on financial risks and controls.

Additionally, a third- party organisation benchmarked our risk management practice with various companies in India and globally. We were consecutively for the second time declared 'Masters of Risk' in FMCG category, at the seventh edition of The India Risk Management Awards 2021 by CNBC TV-18 and ICICI Lombard. These awards recognise those organisations and teams that have significantly added to the understanding and practice of risk management.

CYBER SECURITY

We devised a three-pronged approach to cybersecurity:

- Ensured strong safeguards that included antivirus and malware detection and prevention, laptop hard-disk encryption, virtual private network to access our applications, and web security to block malicious sites
- Established and solidified our managed Security Operations Centre (SOC), which provides protective monitoring and speedy response and recovery to any cybersecurity incidents that might happen
- Ensured strong operational safeguards that included end-point security, disk encryption, multi-factor authentication (MFA), secure internet access, virtual private network, and strengthened user access management. We also established and solidified our managed Security Operations Centre (SOC) that provides threat intelligence, protective monitoring and speedy response and recovery to any incidents that might happen by utilising the Security Incident and Event Management (SIEM) tools.
- Implemented a proactive security assessment tool, Security Assessment Framework for Enterprise (SAFE), which provides enterprise-wide, objective, unified and real-time Cyber Risk Quantification (CRQ) platform. This helps us assess, analyse and score every IT asset, including but not restricted to laptops, servers, network connectivity devices, and gives advance visibility of assets at risk, allowing us to proactively take actions and eliminate or mitigate it.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

We currently have over 3,300 full time employees (globally) across our branded businesses. As we embark on our growth journey with entry into a larger portfolio of the Food & Beverages segment, we defined and communicated our people strategy and processes across the following areas:

- **High Performance Culture**
  We reviewed our Performance Management System to reward employees on performance achievement and showcase behaviours aligned to our values to reinforce the culture of high performance and strong accountability. The key focus was on cascading organisational and functional goals with emphasis on outcomes delivered. To create a learning culture in the organisation, we introduced the concept of learning goals for our employees and supported them with relevant avenues to fulfil these goals. We revised our annual incentive plan to reflect our continued emphasis on organisational, functional and individual performance. We also ensured the relevance of our sales incentive plans by refreshing them to reflect the revised organisation structure.

- **Managing Talent**
  Building skills and capabilities for the present and the future is on the top of our learning agenda. We build our learning agenda on two sets of capabilities – future-ready and future-engaged. This is achieved through multiple platforms (internal and external), including academy-based development opportunities, group learning programmes, e-learning platforms and mentoring programmes, among others.

  In line with our objective to develop talent and support our succession planning process we provided key talent with opportunities, special learning assignments, projects and internal movements across functions and geographies. The Management Trainee programme 'Emerging Leaders Plus', is now established as a key programme to build our pipeline for future leaders.

- **Engagement**
  We successfully completed our annual engagement survey, 'Interactions' in March with a 90% response rate. Our overall engagement index improved from previous levels and we will be building specific action plans based on our overall areas of improvement. In addition to the annual survey, we continued to conduct small employee pulse surveys during the year.

- **Safety**
  We continue to encourage employees to work from home wherever possible and reinforce safety standards in office and factory locations. We continued to support our employees reaching out to us, in case of any medical emergency. Balanced, Energetic, and Mindful (BEAM) is our well-being programme that focuses on physical, emotional and financial well-being of our employees and was institutionalised during the year. We conducted multiple webinars on physical activities and yoga for our employees. To ensure emotional well-being, there were multiple counselling sessions conducted throughout the year.

- **Rewards & Recognition framework**
  Moments of Recognizing Excellence (MORE) is our overall recognition framework that has a mix of monetary and non-monetary programmes, which includes peer-to-peer recognition award, SPARKLE and GRATITUDE, recognition from leadership, GREAT JOB CAFÉ, accolades for values displayed, SHINE and BRANIACS rewards for solving business problems. Since the launch of the new platform in October 2020, nearly 85% employees engaged with the platform to give or receive recognition.

  The Industrial Relations environment across the organisation has been stable, barring a few negotiations and settlements.

INTERNAL CONTROLS AND GOVERNANCE

Our internal financial control framework is commensurate with the size and operations of the business and is in line with requirements of the regulations. We have laid down adequate procedures and policies to guide the operations of our business. Unit/functional heads are responsible for ensuring compliance with the policies and procedures laid down by the management. Our internal control systems are periodically tested by the Management, Statutory Auditors and Internal Auditors.

The Tata Code of Conduct has prescribed guidelines outlining the key disclosure and governance requirements besides mandating the observance of applicable statutory requirements by us. We cascade these guidelines across all levels in the organisation and observe the same in our stakeholder relationships

INTERNAL AUDIT

Internal Audit (IA) at Tata Consumer Products is an independent, objective, activity designed to provide assurance to senior management and add value by identifying opportunities to deliver business benefits and improvements to internal controls. It helps us accomplish our objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of process, controls and governance. The internal audit function carries out a focused and risk-based annual internal audit plan approved by the Audit Committee using a 10-factor risk approach. Our IA is differentiated by utilising better data analytics tools, like using home-grown and developed analytics platform, Tgo and its mix of various in-house domain specialists in its activity

FORWARD LOOKING STATEMENT

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, whether expressed or implied. Several factors could make significant difference to our operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, any epidemic or pandemic, natural calamities over which we do not have any direct/ indirect control.

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos. The Company has a strong legacy of fair, transparent, and ethical governance practices.

The Company believes that corporate governance is not only a principle that the organization follows but it's a way of life that is embedded in its behavior & culture. The philosophy of the Company's corporate governance ensures transparency in its affairs and the functioning of the Management and the Board and accountability towards its stakeholders. It also encompasses the oversight of business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company's policies focus on the augmentation of long-term shareholders' value without compromising on integrity, social obligations, and regulatory compliances. While dealing with its stakeholders, the Company functions within recognized standards of propriety, fair play, and justice and aims at creating a culture of openness. It has established a system that encourages all its employees to voice their concerns openly and without any fear or inhibition.

The corporate governance of the Company has been further strengthened through the Tata Code of Conduct, Tata Business Excellence Model and the Company's Prevention of Insider Trading & Code of Corporate Disclosure Policies. The Company has in place an Information Security Policy that ensures proper utilization of IT resources.

Being a Global organisation, the corporate governance practices followed by the Company are commensurate with international standards and best practices. As a responsible corporate citizen, the Company had established systems that encourage and recognise the employee's participation and volunteering in environmental and social initiatives that contribute to organisational sustainability, systematic training, learning and personal growth, conservation of energy and other scarce resources, promoting safety and health of its employees and of the neighboring community etc. These actions have become an integral part of the Company's operating plans and are not meant for the building of image or publicity.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")**, as applicable, with regard to Corporate Governance.

2. BOARD OF DIRECTORS AND GOVERNANCE FRAMEWORK

a. Composition & Category of Directors

The Board of the Company is formed with an optimum combination of executive and non-executive directors, which not only meet the legal obligation but also make a diversified Board with a mixed blend of experiences, expertise, and professionals. The Board while discharging its responsibilities and provide effective leadership to the business, uphold the corporate value, promote the ethical culture, endorse sustainability and leverage innovation. Independent Directors play a pivotal role in upholding corporate governance norms and ensuring fairness in decision-making. Being experts in various fields, they also bring independent judgement on matters of strategy, risk management, controls and business performance.

As on the date of this report, the Board of the Company consists of 8 Directors comprising of 4 Independent Directors, 2 Non-Executive Directors and 2 Executive Directors. 75% of the Board is represented by Non-Executive Directors and 25% by Executive Directors. Further, Independent Directors which include a Woman Director constitute 50% strength of the Board. The Chairman of the Board is Non-Executive Director and is not related to the Managing Director & Chief Executive Officer of the Company.

Mr. Sunil D'Souza has been appointed as the Managing Director and Chief Executive Officer of the Company effective April 4, 2020. Mr. P. B. Balaji has been appointed as an Additional Director (Non-Executive), effective August 08, 2020. Mr. Harish Bhat ceased to be a Director w.e.f close of business hours of August 7, 2020.

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Act. The composition of the Board as on March 31, 2021 is as under:

Category	Names of Directors	No. of Directors	% of total strength of the Board
Non-Executive, Non-Independent Directors	1) Mr. N. Chandrasekaran, Chairman DIN: 00121863 2) Mr. P.B. Balaji DIN: 02762983	2	25
Non-Executive, Independent Directors	1) Mr. S. Santhanakrishnan DIN: 00032049 2) Mr. Bharat Puri DIN: 02173566 3) Mrs. Shikha Sharma DIN: 00043265 4) Mr. Siraj Chaudhry DIN: 00161853	4	50
Managing & Executive Directors	1) Mr. Sunil D'Souza (Managing Director & CEO) DIN: 07194259 2) Mr. L. Krishnakumar (Executive Director & Group CFO) DIN: 00423616	2	25
Total		**8**	**100**

The Board periodically evaluates the need for change in its composition and size. Detailed profile of our Directors is available on our website at https://www.tataconsumer.com/investors/Board-Of-Directors-List/board_of_directors.

None of the directors of the Company are related to each other.

b. Board meetings

During the period under review, the Board met six times on April 28, 2020, May 14, 2020, August 4, 2020, November 6, 2020, February 2, 2021 and March 22, 2021 and the maximum time gap between two board meetings was less than 120 days. The Agenda and other related papers were being circulated to the Directors in advance to enable them to take informed decisions. The minutes of the meetings of all the Board and Committees are circulated to all the Directors and are finalized incorporating the comments of the Directors.

c. Details of the attendance of directors and other directorship/committee positions, etc.

The names and categories of the Directors on the Board, their attendance at the Board Meetings along with attendance at the Annual General Meeting ("AGM") held during FY 2020-21 (through Video- Conferencing/Other Audio -Visual Means), details of a number of directorship or committee position as a member or chairperson held by the Directors of the Company in other public companies, along with the names of the listed entities where the person is a director indicting the category of such directorship as on March 31, 2021, are as under:

Name of the Director & Category / Designation	Number of Board meetings attended during FY 2020-21	Whether attended last AGM held on July 6, 2020:	Directorships^ held in other Public companies as on March 31, 2021		Committee positions# held in other Public companies as as on March 31, 2021		Directorship in other Listed Companies* (category of directorship) as on March 31, 2021
			Chairperson	Member	Chairperson	Member	
Mr. N. Chandrasekaran, Chairman (Non-Executive, Non-Independent)	6	Yes	6	Nil	Nil	Nil	**Non-Executive, Non- Independent Director of:** - Tata Consultancy Service Limited - Tata Steel Limited - Tata Motors Limited - The Indian Hotels Company Limited - The Tata Power Company Limited - Tata Chemicals Limited
Mr. S. Santhanakrishnan (Non-Executive, Independent)	6	Yes	Nil	2	2	1	**Independent Director of:** - ICICI Home Finance Co. Limited* - Tata Housing Development Company Limited*
Mr. Siraj Chaudhry (Non-Executive, Independent)	6	Yes	Nil	4	1	2	**Independent Director of:** - Tata Coffee Limited - Dhanuka Agritech Limited - Jubilant Ingrevia Limited **Managing Director & CEO of :** - National Collateral Management Services Limited*
Mr. Bharat Puri (Non-Executive, Independent)	6	Yes	Nil	1	Nil	Nil	**Managing Director of:** - Pidilite Industries Limited
Mrs. Shikha Sharma (Non-Executive, Independent)	6	Yes	Nil	4	Nil	3	**Independent Director of:** - Ambuja Cements Limited - Dr. Reddy's Laboratories Limited - Mahindra and Mahindra Limited - Tech Mahindra Limited
Mr. P. B. Balaji$ (Non-Executive, Non-Independent)	2	NA	Nil	4	Nil	4	**Non-Executive, Non-Independent Director** - Tata Motors Finance Limited* - Tata Motors Finance Solutions Limited* - TMF Holdings Limited*
Mr. Sunil D'Souza (Managing Director & CEO)	6	Yes	Nil	3	Nil	Nil	**Non-Executive, Non-Independent Director** Tata Coffee Limited
Mr. L. Krishnakumar (Executive Director & Group CFO)	6	Yes	Nil	2	Nil	1	**Nil**
Mr. Harish Bhat@ (Non-Executive, Non-Independent)	3	Yes	NA	NA	NA	NA	**NA**

$ Mr. P. B. Balaji was appointed as an Additional Director w.e.f. August 08, 2020 and during his tenure 3 Board meetings were held.

@ Mr. Harish Bhat ceased as a Directors w.e.f close of business hours of August 7, 2020 and during his tenure 3 Board meetings were held. Since he was not Director as on March 31, 2021, details of other directorships/committee positions is not applicable, hence not provided.

^For the purpose of reckoning Directorship /Committees position on which a Director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies, and companies under Section 8 of the Companies Act, 2013, have been excluded.

*Regulation 17A of the Listing Regulations provides for the inclusion of only equity listed entities reckoning the directorship in the listed entity, however, directorships held in equity as well debt listed entities have been considered for reporting as above.

#Only Audit Committee and Stakeholders' Relationship Committee are considered for reckoning committee positions.

As per declarations received from the Directors:

- None of the Directors is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director.

- None of the Directors holds directorship in more than ten public companies and none of the directors serves as an Independent Director in more than seven listed companies, across the directorships held including that in the Company.

- The Whole-time Directors of the Company do not serve as Independent director of any listed company.

Details of equity shares of the Company held by the Directors as on March 31, 2021 are given below:

Name	Designation	No. of shares
Mr. N. Chandrasekaran	Chairman (Non-Executive Director)	100,000
Mr. P. B Balaji	Non-Executive Director	285
Mrs. Shikha Sharma	Independent Director	50,000
Mr. S. Santhanakrishnan	Independent Director	2,000
Mr. Bharat Puri	Independent Director	Nil
Mr. Siraj Chaudhry	Independent Director	Nil
Mr. Sunil D'Souza	Managing Director & CEO	Nil
Mr. L. Krishnakumar	Executive Director & Group CFO	228

d. Declarations of Independence

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149 of the Act and that they are independent of the management.

e. Familiarisation programme for Independent Directors

The Independent Directors have been familiarized with the Company, their roles and responsibilities in the Company, nature of the Industry in which the Company operates, the business model of the Company, etc. During FY 2020-21, Independent Directors were taken through various aspects of the Company's business and operations. The details of familiarization programmes imparted to the Independent Directors are put up on the website of the Company and can be accessed at https://www.tataconsumer.com/investors/Board-Of-Directors-List/familiarization-programme

f. Skills/expertise/competencies identified by the Board of Directors

As required under the Listing Regulations, the list of core skills/expertise/competencies as identified by the Board of Directors in the context of its business and sector for it to function effectively and those available with the Board are as under:

Matrix of skills / expertise / competencies:

i) **Knowledge:** Understanding of the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates,

ii) **Behavioral Skills:** Attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders,

iii) **Strategic thinking and decision making**,

iv) **Financial Skills**,

v) **Technical/Professional skills and specialized knowledge** to assist the ongoing aspects of the business.

The brief profiles of Directors forming part of this Annual Report give an insight into the education, expertise, skills, and experience of the Directors, thus bringing diversity to the Board's perspectives.

The details of Directors of the Company who possess those skills/expertise/competencies are as given below:

Director	Knowledge	Behavioral Skills	Strategic thinking & decision making	Finance Skills	Technical/Professional skills and specialized knowledge
Mr. N. Chandrasekaran, Chairman	✓	✓	✓	✓	✓
Mr. S. Santhanakrishnan	✓	✓	✓	✓	✓
Mr. Bharat Puri	✓	✓	✓	✓	✓
Mrs. Shikha Sharma	✓	✓	✓	✓	✓
Mr. Siraj Chaudhry	✓	✓	✓	✓	✓
Mr. P. B. Balaji	✓	✓	✓	✓	✓
Mr. Sunil D'Souza	✓	✓	✓	✓	✓
Mr. L. Krishnakumar	✓	✓	✓	✓	✓

g. Compliance Framework:

The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and providing updates to senior management and the Board periodically. The Audit Committee and the Board periodically review the status of the compliances with the applicable laws.

h. Code of conduct:

Tata Code of Conduct ("TCoC") is a comprehensive written code that applies to all employees including the Managing and Executive Directors. The TCoC is augmented by several policies that help strengthen governance practices at the Company. These policies include the Anti-Bribery and Anti-Corruption Policy, Gifts and Hospitality Policy, Whistle Blower Policy and the Prevention of Sexual Harassment at Workplace Policy. The Company believes in "Zero Tolerance" to any ethical violations, in all forms or manner. The Code lays emphasis amongst other things, on integrity at the workplace and in business practices, honest and ethical personal conduct, diversity, fairness, and respect etc.

A separate code of conduct applicable to the Non-Executive Directors was adopted by the Board which includes the Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Act.

Both Tata Code of Conduct and the Code of Conduct for Non-Executive Directors have been posted on the website of the Company and can be accessed at https://www.tataconsumer.com/investors/Board-Of-Directors-List/code-of-conduct?reload

In respect of FY 2020-21, all Board members and Senior Management personnel of the Company have affirmed the compliance with the code as applicable to them and a declaration to this effect signed by the Managing Director and CEO is provided as **Annexure I** to this report.

i. Prevention of Insider Trading Code:

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company had adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices (which includes Policy on Determination of Legitimate Purpose). All the Directors, employees and third parties such as auditors, consultants, etc. who could have access to the unpublished price sensitive information of the Company are governed by the said Code. The trading window is closed during the time of declaration of results and on occurrence of any material events as per the code. Mr. John Jacob, Chief Financial Officer of the Company, is the Compliance Officer under the Code and is responsible for setting forth procedures and implementation of the Code for trading in Company's securities. Code of Corporate Disclosure Practices is hosted on the website of the Company and can be accessed at https://www.tataconsumer.com/investors/policies?reload.

j. Terms and conditions of appointment to the Independent Directors

The Company had issued formal letters of appointment to all the Independent Directors on their appointment explaining *inter-alia*, their roles, responsibilities, code of conduct, functions and duties. The terms and conditions of appointment of Independent Directors have been hosted on the website of the Company and can be accessed at https://www.tataconsumer.com/investors/Board-Of-Directors-List/terms_and_conditions?reload.

k. Separate meetings of Independent Directors

During the year under review, three meetings of Independent Directors were held on April 28, 2020, October 29, 2020 and March 22, 2021.

In compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act, separate meetings of Independent Directors was held on April 28, 2020 for FY 2019-20 and March 22, 2021 for FY 2020-21, without the presence of Non-Independent

Directors and members of the management. At the said meeting, the Independent Directors, inter-alia, considered the following:

i. Reviewed the performance of Non-Independent Directors and the Board as a whole.

ii. Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

iii. Assessed the quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably.

3. AUDIT COMMITTEE

A qualified and independent Audit Committee has been set up by the Board in compliance with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act.

a. Brief description of terms of reference

The role of the Audit Committee is as under:

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;

iii. Reviewing the utilization of loans and / advances from/investment by the holding company in the subsidiary exceeding Rs. 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

iv. Review with the Management and Statutory Auditors of the annual financial statements before submission to the Board with particular reference to:

(a) Matters required to be included in the directors' responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;

(b) Changes, if any, in accounting policies and practices and reasons for the same;

(c) Major accounting entries involving estimates based on the exercise of judgment by management;

(d) Significant adjustments made in the financial statements arising out of audit findings;

(e) Compliance with listing and other legal requirements relating to financial statements;

(f) Disclosure of any related party transactions;

(g) Modified opinion(s) in the draft audit report;

v. Review of the quarterly and half-yearly financial results with the Management and the Statutory Auditors;

vi. Examination of the financial statement and the auditors' report thereon;

vii. Review and monitor Statutory Auditor's independence and performance and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Review of valuation of undertakings or assets of the company wherever it is necessary;

xi. Evaluation of internal financial controls and risk management systems;

xii. Review with the Management, Statutory Auditors and the Internal Auditors about the nature and scope of audits and of the adequacy of internal control systems;

xiii. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

xiv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board;

xv. Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;

xvi. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend), and creditors, if any;

xvii. Review the functioning of the whistle blower mechanism;

xviii. Review and monitor the end-use of funds raised through public offers and related matters;

xix. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

xx. Frame and review policies in relation to the implementation of the Code of Conduct for Prevention of Insider Trading Code and supervise its implementation under the overall supervision of the Board;

xxi. Review of the following information:

(1) Management discussion and analysis of financial condition and results of operations;

(2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

(3) Management letters/letters of internal control weaknesses issued by the Statutory Auditors;

(4) Internal audit reports relating to internal control weaknesses;

(5) The appointment, removal and terms of remuneration of the Chief Internal Auditor;

(6) Statement of deviations:

(a) Quarterly statement of deviation(s) including the report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus in terms of Regulation 32(7) of the Listing Regulations, if applicable.

xxii. Carrying out any other function as may be referred to the Committee by the Board.

xxiii. Authority to review/investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

b. Composition of the Committee, attendance of members at the meetings and other details

As on March 31, 2021, the Committee consisted of five Non-Executive Directors and four of them, including the Chairman being Independent Director. The members of the Audit Committee have relevant experience in financial matters as well as have accounting or related financial management expertise and considered financially literate as defined in Regulation 18(1)(c) of the Listing Regulations. Mr. S. Santhanakrishnan, Chairman of the Audit Committee has expert knowledge in accounts & finance, banking, corporate laws and governance matters. He was present at the last Annual General Meeting of the Company held (through Video Conference/ Other Audio-Visual Means) on July 6, 2020, to answer the queries of the shareholders.

During the year under review, the Audit Committee met eight times on April 27, 2020, May 14, 2020, August 3, 2020, November 5, 2020, November 12, 2020, December 1, 2020, February 1, 2021, and March 19, 2021. Audit Committee Meetings are attended by invitation by the Managing Director & CEO, Executive Director & Group CFO, Chief Operating Officer, Chief Financial Officer, Chief Internal Auditor and the Statutory Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

The composition of the Audit Committee and particulars of attendance by the members at the meetings of the Committee held in FY 2020-21 are given below:

Name	Category of Director	No. of meetings Attended	No. of meetings held#
Mr. S. Santhanakrishnan (Chairman)	Non-Executive, Independent	8	8
Mrs. Shikha Sharma	Non-Executive, Independent	7	8
Mr. Bharat Puri	Non-Executive, Independent	8	8
Mr. Siraj Chaudhry	Non-Executive, Independent	8	8
Mr. Harish Bhat@	Non-Executive, Non-Independent	3	3
Mr. P. B. Balaji*	Non-Executive, Non-Independent	4	4

#Number of meetings held during the tenure of respective member in the Committee

@ Ceased to be a member w.e.f. August 7, 2020.

* Inducted as a member w.e.f. November 6, 2020.

The minutes of the meetings of the Committee are placed before and noted by the Board. During the year, all recommendations of the Audit Committee as mandatorily required were accepted by the Board.

4. NOMINATION AND REMUNERATION COMMITTEE

In accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Company has formed its Nomination and Remuneration Committee, composition and terms of reference of which are in conformity with the said provisions.

a. Brief description of terms of reference

The Nomination and Remuneration Committee set up by the Board is responsible for:

i. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal, and shall carry out the evaluation of every director's performance.

ii. formulation of the criteria for determining qualifications, positive attributes, and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel, and other employees

iii. formulation of the criteria for evaluation of the performance of independent directors and the board of directors;

iv. devising a policy on diversity of the board of directors:

v. whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of Independent Directors;

vi. identify Independent Directors to be inducted into the Board from time to time and take steps to refresh the composition of the Board from time to time;

vii. recommending to the Board, the remuneration of Managing and Whole-time Directors, including their annual increment and commission after reviewing their performance.

viii. recommending to the Board, remuneration, payable to senior management;

ix. such other matters as may be specified by the Board from time to time

b. Composition of the Committee, attendance of members at the meetings and other details

As on March 31, 2021, the Nomination and Remuneration Committee consisted of four Non-Executive Directors, of which two Directors are Independent Directors. Mrs. Shikha Sharma, Independent Director is the Chairperson of the Committee and was present at the last Annual General Meeting of the Company held on July 6, 2020, to answer the queries of the shareholders

During the year under review, the Nomination and Remuneration Committee met five times on April 28, 2020, May 14, 2020, August 4, 2020, November 6, 2020 and March 22, 2021.

The composition of the Committee and particulars of attendance by the members at the meetings of the Committee held in FY 2020-21 are given below:

Name	Category of Director	No. of meetings Attended	No. of meetings held#
Mrs. Shikha Sharma (Chairperson)	Non-Executive, Independent	5	5
Mr. N. Chandrasekaran	Non-Executive, Non- Independent	5	5
Mr. Bharat Puri	Non-Executive, Independent	5	5
Mr. Harish Bhat@	Non-Executive, Non- Independent	3	3
Mr. P. B. Balaji*	Non-Executive, Non- Independent	1	1

#Number of meetings held during the tenure of respective member in the Committee

@ Ceased to be a member w.e.f. August 7,2020.

* Inducted as a member w.e.f. November 6, 2020.

The minutes of the meetings of the Committee are placed before and noted by the Board. During the year, all recommendations of the Committee as mandatorily required were accepted by the Board.

c. Performance Evaluation

Pursuant to the provisions of the Act and the applicable provisions of the Listing Regulations, the Annual performance evaluation was carried out for FY 2020-21 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders Relationship, Corporate Social Responsibility and Risk Management Committees. A structured questionnaire covering various aspects such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared which is broadly based on the Guidance Note issued by SEBI vide circular no, CMD/CIR/P/2017/004 dated January 5, 2017.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfillment of key responsibilities, the effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors.

d. Remuneration Policy

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees are mentioned in the Board's Report.

The remuneration policy followed by the Company takes into consideration the performance of the Company during the year and of the Managing and Executive Directors on certain parameters, such as the condition of the industry, achievement of budgeted targets, growth & diversification, remuneration in other companies of comparable size and complexity, the performance of the directors at meetings of the Board and of the Board Committees, etc.

5. REMUNERATION OF DIRECTORS

a. Pecuniary relationship or transactions

During the year under review, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from sitting fees, commission (if any), and reimbursement of expenses incurred by them to attend the meetings of the Company.

b. Non-Executive Directors' compensation and disclosures

Non-Executive Directors, including Independent Directors, are paid sitting fees for attending the meetings of the Board and Committees of the Board. During the year under review, the Company paid sitting fee of Rs. 30,000 per meeting per Director for attending meetings of the Board, Audit, Nomination and Remuneration and Executive Committees (Rs. 20,000 in case of Non-Executive Director who are employees of other Tata company). For meetings of all other Committees of the Board, a sitting fee of Rs. 15,000 per meeting per Director was paid (Rs. 10,000 in case of Non-Executive Director who are employees of other Tata company). The

Company also paid sitting fees of Rs. 30,000 per meeting per Independent Director for attending the Independent Directors' meeting.

Within the prescribed ceiling under the Act, the Non-Executive Directors including Independent Directors are also paid a commission, the amount whereof is determined by the Board. The basis of determining the specific amount of commission payable to a Non-Executive Director is related to his attendance at meetings, role and responsibility as Chairman/Member of the Board/ Committees and overall contribution as well as time spent on operational matters other than at the meetings. The shareholders of the Company at the Annual General Meeting held on July 5, 2018, had approved payment of commission to the Non-Executive Directors of the Company for all subsequent financial years commencing from April 1, 2019. No Stock option has been granted to the Non-Executive Directors.

The details of the Commission and sitting fees paid to Non -Executive Directors in FY 2020-21 is given below:

Non-Executive Directors' Remuneration Rs. in Lakhs

Name of Director	Category of Director	Commission# (Relating to FY 2020-21)	Sitting Fees
Mr. N. Chandrasekaran, Chairman	Non-Executive Director	Nil^	2.20
Mr. S. Santhanakrishnan	Independent Director	65.00	6.15
Mr. Siraj Chaudhry	Independent Director	55.00	6.75
Mr. Bharat Puri	Independent Director	65.00	7.20
Mrs. Shikha Sharma	Independent Director	65.00	6.90
Mr. Harish Bhat@	Non-Executive Director	Nil^^	2.00
Mr. P. B. Balaji *	Non-Executive Director	Nil^^	1.40

Payable in FY 2021-22. The Commission to the Non-Executive Directors relating to FY 2019-20 was paid in FY 2020-21.

@ Ceased to be a Board member w.e.f. August 7, 2020.

* Inducted as a Board member w.e.f. August 8, 2020.

^ As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving commission from the Company.

^^ In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in employment with any other Tata Company. Accordingly, no commission is paid to Mr. Harish Bhat and Mr. P. B. Balaji being Non-Executive, Non-Independent Directors.

c. The Remuneration details of Managing / Executive Directors are mentioned below:

Rs. in Lakhs

Component	Mr. Sunil D'Souza, Managing Director & CEO	Mr. L Krishnakumar, Executive Director & Group CFO
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	645.77	300.72
Allowances and Perquisites	107.14	88.45
Contribution to Retiral Funds	21.88	31.42
Long Term incentive*	275.00	-
Stock Option	-	-
Total	**1049.79**	**420.59**
No. of shares held	Nil	228
Term of Service Contract	5 years from April 4, 2020	5 years from April 1, 2018
Notice period	6 months	6 months

* Accrued for FY 2020-21 payable in FY 2023-24

In addition, Mr. L. Krishnakumar drew remuneration (as a part of his Salary and Benefits) of Rs. 39.3 Lakhs during FY 2020-21 from an overseas subsidiary of the Company. The said remuneration was drawn in GBP has been converted into INR at the average exchange rate.

Mr. Bharat Puri was also appointed as Independent Director in the Board of two material foreign subsidiaries of the Company based in the UK.

The Company has not granted Stock Option to any of its Directors. The Company does not have a practice of paying severance fees to any Director.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

In accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Company has formed its Stakeholders Relationship Committee, composition and terms of reference of which are in conformity with the said provisions.

a. Brief description of terms of reference

The Committee's role includes:

i) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;

ii) Approve issue of duplicate share certificates either at meetings or through circular resolution;

iii) Frame guidelines for waiver of documents/ requirements prescribed in cases of:

a) Transmission of shares

b) Issue of duplicate share certificates

c) Recording of updation of signatures by shareholders

iv) Review of measures taken for the effective exercise of voting rights by shareholders;

v) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

vi) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the company;

vii) Such other matter as may be specified by the Board from time to time.

The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services as and when the need arises.

To expedite the process of share transfers, the Board has delegated the power of share transfer to the Registrars and Share Transfer Agent and share transfer are approved by them on a fortnightly basis and placed before the Committee /the Board in every quarter.

b. Composition of the Committee, attendance of members at the meetings and other details

As on March 31, 2021, the Stakeholders Relationship Committee comprised of two Independent Directors and one Executive Director. Mr. S. Santhanakrishnan, Independent Director, is the Chairman and he was present at the last Annual General Meeting of the Company held on July 6, 2020, to answer the queries of the shareholders.

During the year under review, the Committee met four times on April 27, 2020, August 3, 2020, November 5, 2020, and February 1, 2021.

The composition of the Committee and details of attendance by its members at the meetings of the Committee held in FY 2020-21 are given below:

Name	Category of Director	No. of meetings Attended	No. of meetings held
Mr. S. Santhanakrishnan (Chairman)	Non-Executive, Independent	4	4
Mr. Siraj Chaudhary	Non-Executive, Independent	4	4
Mr. L. Krishnakumar	Executive Director & Group CFO	4	4

The minutes of the meetings of the Committee are placed before and noted by the Board. During the year, all recommendations of the Committee as mandatorily required were accepted by the Board.

c. Name and designation of Compliance Officer

Mr. Neelabja Chakrabarty, Company Secretary, is the Compliance Officer for complying with the requirements of the Listing Regulations.

d. Number of shareholders' complaints received, number solved to the satisfaction of shareholders, and number of pending complaints

Details of queries/complaints and other correspondences received and attended to during FY 2020-21 in respect of equity shares are given below:

(i) Details of Complaints received during the year under review:

Sr. no	Details of Investor Complaints	No. of complaints
I.	No. of Investor Complaints pending at the beginning of the year	1
2.	No. of Investor Complaints received during the year under review	15
3.	No. of Investor Complaints disposed -of during the year under review	16
4.	Complaints not solved to the satisfaction of shareholders during the year	0
5.	No. of Investor Complaints Unresolved at the end of the year	0

(ii) Details of queries and requests received during the year under review:

Particulars	Numbers
Pending queries/request at the beginning of the year	54
Queries/request received during the year under review	4144
Queries/requests attended and replied during the year under review	4019
Pending queries/request at the end of the year	179

(iii) Analysis of response time for redressing investor correspondence, received during the year under review is as under:

Sr. No.	Response time to Investor Complaints & Queries/Requests received during the year	FY 2020-21	
		Number	%
1.	Replied within 1 to 4 days of receipt	1598	38
2.	Replied within 5 to 7 days of receipt	605	15
3.	Replied within 8 to 15 days of receipt	1456	35
4.	Replied after 15 days of receipt	321	8
5.	Pending at the end of year	179	4
	Total	**4159**	**100**

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with provisions of Section 135 of the Companies Act, 2013, the Board has formed the Corporate Social Responsibility ("**CSR**") Committee, composition and terms of reference of which are in conformity with the said provisions.

a. Brief description of terms of reference

The Committee's role includes:

(i) formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

(ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (i) above;

(iii) monitor the CSR Policy of the Company from time to time;

(iv) monitor and provide guidance on the Company's policies on environment management, social responsibilities, health & safety, product stewardship, community development, principles of managing branded operations, etc.;

(v) provide guidance on welfare activities in and around Munnar.

b. Composition of the Committee, attendance of members at the meetings and other details

As on March 31, 2021, the Committee consisted of three Independent Directors. Mr. Siraj Chaudhry is the Chairman of the Committee and he was present at the last Annual General Meeting of the Company held on July 6, 2020, to answer the queries of the shareholders.

During the year under review, the CSR Committee met three times on April 27, 2020, November 5, 2020 and March 19, 2021. The composition of the Committee and details of attendance by its members at the meeting during FY 2020-21 is given below:

Name	Category of Director	No. of meetings Attended	No. of meetings held#
Mr. Siraj Chaudhry (Chairperson)	Non-Executive, Independent	3	3
Mr. S. Santhanakrishnan	Non-Executive, Independent	3	3
Mrs. Shikha Sharma*	Non-Executive, Independent	1	1

#Number of meetings held during the tenure of respective member in the Committee

*Inducted as a member w.e.f. November 6, 2020

**Mr. Harish Bhat, Non-Executive Director was inducted as a member of the Committee w.e.f. April 28, 2020 and he ceased as member w.e.f. August 7, 2020 consequently upon his resignation as Director of the Company. During his tenure as member of the Committee, no meeting was held.

The minutes of the meetings of the Committee are placed before and noted by the Board.

The Board has also approved the revised CSR Policy as formulated and recommended by the CSR Committee. The same is displayed on the website of the Company at https://www.tataconsumer.com/investors/policies?reload

A CSR Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities forms part of the Board's Report.

8. RISK MANAGEMENT COMMITTEE

In accordance with provisions of Regulation 21 of the Listing Regulations, the Board has formed the Risk Management Committee, composition and terms of reference of which are in conformity with the said provisions.

a. Brief description of terms of reference

The Risk Management Committee of the Board of Directors has been 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 and a Risk Register detailing the risks that the Company faces under various categories like strategic, financial, commercial, operational, IT, legal, regulatory, people, reputational and other risks and these have been identified and suitable mitigation measures have also been formulated. The functions of the Risk Management Committee shall *inter-alia* includes cyber security. The Risk Management Committee reviews the key risks and the risk register and the mitigation measures periodically.

The roles of the Committee are as below:

i. Assessing the risk management procedures relating to identification and evaluation of all types of risks, namely, strategic, operational, legal and regulatory, Information systems and external risks that the Company / Group is exposed to ;

ii. Review and oversee the risk management, compliance, and control procedures;

iii. Review the risk assessment and mitigation procedures;

iv. Recommend to the Board a risk management plan for the Company and monitor the functioning of the said plan;

v. Determine and finalize the risks that the Company and that of its subsidiaries is exposed to and review their mitigation measures;

vi. Review the legal compliance system;

vii. Such other terms as the Board may indicate from time to time.

b. Composition of the Committee, attendance of members at the meetings and other details

As on March 31, 2021, the Committee consisted of three Independent Directors and Mr. Bharat Puri is the Chairman of the Committee.

During the year under review, the Risk Management Committee met four times on April 27, 2020, August 3, 2020, November 5, 2020 and March 19, 2021. Risk Management Committee Meetings are attended by invitation by the Managing Director & CEO, Executive Director & Group CFO, Chief Operating Officer Chief Financial Officer and Chief Internal Auditor. Members of Senior Management team also attend the Risk Management Committee meetings as and when required.

The composition of the Risk Management Committee and particulars of attendance by the members at the meetings held in FY 2020-21 are given below:

Name	Category of Director	No. of meetings Attended	No. of meetings held#
Mr. Bharat Puri, (Chairman)	Non-Executive, Independent	4	4
Mrs. Shikha Sharma	Non-Executive, Independent	3	4
Mr. Siraj Chaudhry	Non-Executive, Independent	4	4
Mr. Harish Bhat*	Non-Executive, Non-Independent	2	2

#Number of meetings held during the tenure of respective member in the Committee

*Ceased to be a member w.e.f. August 7, 2020.

The minutes of the meetings of the Committee are placed before and noted by the Board. During the year, all recommendations of the Committee as mandatorily required were accepted by the Board.

9. EXECUTIVE COMMITTEES

The Board has constituted an Executive Committee of the Board to review business and strategy, long-term financial projections and cash flows, capital/revenue budgets and capital expenditure programmes, acquisition/divestment, business restructuring proposals, senior management succession planning and any other item that the Board may decide to delegate. The Committee meets on a need basis and no meetings were held during FY 2020-21. However, the matters mentioned above, as and when required, were reviewed by the Board from time to time. The composition of the Committee as on March 31, 2021 is given below,

Name	Category of Director / Designation
Mr. Sunil D'Souza#, (Chairman)	Managing Director & CEO
Mr. L Krishnakumar	Executive Director & Group CFO
Mr. Ajit Krishnakumar^	Chief Operating Officer(Non-Board Member)
Mr. Harish Bhat *	Non-Executive, Non- Independent Director

#Inducted as a member w.e.f. April 28, 2020 and appointed as the Chairman of the Committee w.e.f. November 6, 2020.

*Ceased to be a member & Chairman of the Committee w.e.f. August 7, 2020

^Inducted as member w.e.f November 6, 2020

10. GENERAL BODY MEETINGS

a. Location and time where the last three AGMs were held, whether any special resolutions passed in the previous 3 AGMs

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time	Details of Special resolution approved at the AGM	
				Nos.	Matter of resolution
2017-2018	Taj Bengal, 34-B, Belvedere Road, Alipore, Kolkata – 700 027	July 5, 2018	10.30 am	1	Issue of Non-Convertible Debentures on a private placement basis
2018-2019		June 11, 2019	10:30 am	Nil	-
2019-2020	Through two-way video conferencing, Video Conferencing / Other Audio-Visual Means deemed Venue was Media Room, TCS House, Raveline Street, Fort, Mumbai- 400001	July 6, 2020	10:30 am	Nil	-

b. Extraordinary General Meeting:

No Extraordinary General Meeting of the members was held during FY 2020-21

c. Postal ballot:
No Special resolution was passed through postal ballot during FY 2020-21.

11. MEANS OF COMMUNICATION

(a) Financial Results

The quarterly, half-yearly and annual financial results of the Company are published in the leading newspapers in India and displayed on the Company's website. The quarterly results are generally published in Business Standard (All India Edition) (English) and Sangbad Pratidin (Bengali). However, the results for Quarter 2 were published in Financial Express. The financial results of the Company are put on the website of the Company after these are submitted to the Stock Exchange at https://www.tataconsumer.com/investors/investor-relations/results-and-presentation

All Quarterly results are being sent through email to those shareholders whose email ids are registered with the Company/Depository Participants. Additionally, half-yearly results are also being sent through / post to shareholders whose email ids are not registered.

(b) Annual Report

Pursuant to the MCA circulars and SEBI Circulars, the Annual Report for FY 2019-20 containing the Notice of AGM was sent through email to all those Members whose email IDs were registered with the Company/Depository Participants.

(c) Press Release / Investor Presentations

The Company also issues press releases from time to time concerning financial results and material events. The Company participates in various investor conferences and analyst meets and makes presentations thereat. Press releases, Investors' presentations are submitted to the stock exchanges as well as are hosted on the website of the Company.

(d) Communication related to Dividend and updation of records

The Company issues various reminder letters to shareholders whose dividend is outstanding, PAN, BANK details are not updated and those whose shares are liable to transfer to IEPF.

12. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

Day, Date, and Time	Friday, June 25, 2021, at 10.30 a.m.
Venue/Mode	The Company is conducting meeting through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') pursuant to the MCA circulars and SEBI Circulars. For details please refer to the Notice of AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard - 2, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Annexure to the Notice of the AGM.

b. Dividend Payment

The dividend of Rs. 4.05 per equity share of Re. 1 each (405%), as recommended by the Board, if approved by the shareholders at the AGM, will be paid, subject to deduction of income-tax at source wherever applicable:

Book Closure Period	June 12, 2021 (Saturday) to June 18, 2021 (Friday) - both days inclusive
Dividend payment date	On or after June 29, 2021, and before July 25, 2021

c. Financial Year: April 1 to March 31

d. Name and address of each Stock Exchange at which Company Shares are listed and Stock Code

Listing on Stock Exchanges	Name	Address	Stock Code
Equity Shares	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	500800
	National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	TATACONSUM
	The Calcutta Stock Exchange Association Limited	7, Lyons Range, Kolkata – 700 001	27 (For Physical); 10000027 (For Demat)
Global Depository Receipts	Luxembourg Stock Exchange	35A Boulevard Joseph II L-1840 Luxembourg	NA
	London Stock Exchange	10 Paternoster Square London EC4M 7LS United Kingdom	NA

e. Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 98.53 percent of the Company's equity share capital are dematerialized as on March 31, 2021. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE 192A01025.

Name of Depository	Address	ISIN
National Securities Depository Limited	Trade World, 5th Floor, Kamala Mills Compound,Senapati Bapat Marg, Lower Parel, Mumbai 400 013	INE 192A01025
Central Depository Services Limited	17th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 023	

f. Listing Fees

Annual listing fees for FY 2020-21 have been paid to all the Stock Exchanges where the securities of the Company are listed.

g. Market price data – High, Low and number of shares traded during each month in the last Financial Year 2020-21

Month	BSE			NSE		
	High Price Rs.	Low Price Rs.	Volume (No. of Shares traded)	High Price Rs.	Low Price Rs.	Volume (No. of Shares traded)
April 2020	361.15	264.00	32,56,122	361.40	349.85	47,60,235
May 2020	382.45	325.85	32,06,282	382.80	357.35	6,35,52,596
June 2020	395.00	359.50	32,48,859	391.80	385.90	18,61,565
July 2020	437.75	381.05	32,24,748	434.00	425.00	31,15,208
August 2020	561.30	427.55	75,01,097	552.35	528.20	55,43,930
September 2020	591.75	477.55	41,42,778	515.50	495.55	62,52,290
October 2020	513.00	459.00	39,44,362	500.30	488.90	44,03,239
November 2020	544.15	488.00	33,32,573	545.30	520.55	1,88,53,563
December 2020	616.90	525.60	32,10,044	599.75	587.00	23,22,873
January 2021	635.20	555.00	53,36,861	574.00	554.25	35,93,336
February 2021	652.85	554.55	80,07,733	625.90	604.50	55,47,291
March 2021	647.80	576.75	44,78,742	645.70	630.00	44,24,477

h. The market share price data of the Company in comparison to broad-based indices like BSE Sensex and Nifty are given below:

Months	Company's closing price at BSE	BSE Sensex	Company's closing price at NSE	Nifty 50
April 2020	351.35	33717.62	351.60	9,859.90
May 2020	367.95	32424.10	366.90	9,580.30
June 2020	387.55	34915.80	387.45	10,302.10
July 2020	427.70	37606.89	428.05	11,073.45
August 2020	533.10	38628.29	532.35	11,387.50
September 2020	499.75	38067.93	499.95	11,247.55
October 2020	493.30	39614.07	492.85	11,642.40
November 2020	539.00	44149.72	538.00	12,968.95
December 2020	589.65	47751.33	589.90	13,981.75
January 2021	560.25	46285.77	559.80	13,634.60
February 2021	608.65	49099.99	609.15	14,529.15
March 2021	638.50	49509.15	638.90	14,690.70

There was no trading of the Company's shares on the Calcutta Stock Exchange during FY 2020-21.

i. Performance in comparison to broad-based indices:

One-year performance

Closing price	Company's share price on		Indices	
	NSE	BSE	NIFTY 50	S & P Sensex
- As at April 1, 2020	292.85	298.90	8253.80	29505.33
- As at March 31, 2021	638.90	638.50	14690.70	49509.15
- Growth	↑ 118.17%	↑ 113.62%	↑ 77.99%	↑ 67.80%

Five-year performance

Closing price	Company's share price on		Indices	
	NSE	BSE	NIFTY 50	S & P Sensex
- As at April 1, 2016	122.00	121.85	7718.05	25301.7
- As at March 31, 2021	638.90	638.50	14690.70	49509.15
- Growth	↑ 423.69%	↑ 424.00%	↑ 90.34%	↑ 95.68%

j. Address for correspondence for investors/deposit holders' queries

Registrar & Transfer Agents: TSR Darashaw Consultants Private Limited

Particulars	Address	Contact details
Registered office & main operating office:		
Mumbai	C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083 (new address w.e.f. March 1, 2021)	Contact Person: Ms. Mary George Telephone: 022-66568484 Fax: 022-66568494 Website: https://www.tcplindia.co.in E-mail: csg-unit@tcplindia.co.in
Branch Offices at :		
West – Ahmedabad	C/o Link Intime India Private Limited Amarnath Business Centre-1 (ABC-1) Beside Gala Business Centre Nr. St. Xavier's College Corner Off. C.G. Road, Ellisbridge, Ahmedabad - 380006	Contact Person : Ms. Preeti Madhu Tel : +91-79-2646 5179 Email : csg-unit@tcplindia.co.in
South - Bengaluru	C/o. Mr. D. Nagendra Rao "Vaghdevi" 543/A, 7th Main, 3rd Cross, Hanumanthnagar Bengaluru – 560019	Contact Person: Mr. Shivanand M Tel : +91-080-2650 9004 E-mail: tsrdlbang@tcplindia.co.in
East - Kolkata & Jamshedpur	C/o Link Intime India Private Limited, Vaishno Chamber, Flat No. 502 & 503, 5th Floor, 6, Brabourne Road, Kolkata - 700001	Contact Person: Mr. Rijit Mukherjee Tel : +91-33-4008 1986 Email: tsrdlcal@tcplindia.co.in
	Bungalow No. 1, 'E' Road, Northern Town Bistupur, Jamshedpur – 831 001	Contact Person : Mr. Subrata Das Tel : +91-657-2426 937 Email : tsrdljsr@tcplindia.co.in

Particulars	Address	Contact details
North - Delhi	C/o Link Intime India Private Limited Noble Heights, 1st Floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058	Contact Person : Mr. Shyamalendu Shome Tel : +91-11-4941 1030 Email : tsrdldel@tcplindia.co.in

The Registrars can be contacted between 10 a.m. and 3.30 p.m. on any working day (Monday to Friday, excluding bank/public holidays)

(i) Name, designation & address of Compliance Officer:

Contact Person	Address	Contact details
Mr. Neelabja Chakrabarty Company Secretary & Compliance Officer	**Corporate Office** 11/13, Botawala Building, 1st Floor, Office # 2-6 Horniman Circle, Fort, Mumbai- 400 001 **Registered office** 1, Bishop Lefroy Road, Kolkata – 700 020	Tel: +91 22 61218400 Website: www.tataconsumer.com Email: investor.relations@tataconsumer.com

(ii) Name, designation & address of Investor Relations Officer:

Contact Person	Address	Contact details
Ms. Nidhi Verma Head - Investor Relations & Communication	**Corporate Office** 11/13, Botawala Building, 1st Floor, Office # 2-6 Horniman Circle, Fort, Mumbai- 400 001	Tel: +91 22 61218400 Website: www.tataconsumer.com Email: nidhi.verma@tataconsumer.com

k. Share transfer system

According to the Listing Regulations, no shares can be transferred unless they are held in dematerialised mode. Members holding shares in physical form are therefore requested to convert their holdings into dematerialized mode to avoid loss of shares and fraudulent transactions and avail better investor servicing. Accordingly, only valid transmission or transposition cases may be processed by the RTA of the Company, subject to compliance with the guidelines prescribed by SEBI.

Shares in physical form for transfer/transmission should be lodged with the office of the Company's Registrar & Share Transfer Agent, TSR Darashaw Consultants Private Limited, Mumbai or at their branch offices at the addresses given above or at the Corporate office of the Company. The transfers are processed if technically found to be in order and complete in all respects.

l. Distribution of Shareholding

Distribution of Shareholding as at March 31, 2021

No. of Shares	Holding	Amount (Rs.)	% to Capital	No. of Holders	% to Total Holders
1 to 500	43,143,853	43,143,853	4.68	540,482	89.31
501 to 1000	21,050,760	21,050,760	2.28	28,319	4.68
1001 to 2000	24,564,472	24,564,472	2.67	17,216	2.84
2001 to 3000	15,345,609	15,345,609	1.67	6,182	1.02
3001 to 4000	11,217,182	11,217,182	1.22	3,198	0.53
4001 to 5000	9,558,528	9,558,528	1.04	2,091	0.35
5001 to 10000	28,337,244	28,337,244	3.07	4,038	0.67
10001 to 20000	26,497,934	26,497,934	2.88	1,915	0.32
Greater than 20000	741,836,133	741,836,133	80.50	1,713	0.28
Total	**921,551,715**	**921,551,715**	**100.00**	**605,154**	**100.00**

Categories of Shareholders as at March 31, 2021

Sl. No.	Particulars	No. of Accounts	Holdings/ Shares held	% to Capital
1	Promoter	10	270,557,128	29.36
2	Other Entities of the Promoter Group	8	49072605	5.32
2	Indian Financial Institutions	29	15,976,879	1.73
3	State Government	6	87,870	0.01
4	Central Government	0	0	0.00
5	Alternative Investment Funds	19	5,331,357	0.58
6	Nationalised Banks	88	519,474	0.06
7	Mutual Funds	221	77,558,662	8.42
8	Foreign Institutional Investors/ Foreign Companies / Foreign Bodies DR	626	232,425,389	25.22
9	GDS Depositories	1	820,446	0.09
10	Other Companies	3463	49,514,465	5.37
11	IEPF Suspense Account	1	3,481,985	0.38
12	Individuals & Others	600,682	216,205,455	23.46
	Total	**605,154**	**921,551,715**	**100.00**

m. Top Ten Shareholders

As at March 31, 2021, the top ten shareholders of the Company were as follows:-

Sr. No.	Name of the Shareholder	No. of Shares	%
1	Tata Sons Private Limited	270,557,128	29.36
2	Tata Investment Corporation Limited	44,273,001	4.80
3	First State Investments Icvc- Stewart Investors Asia Pacific Leaders Fund	30,164,692	3.27
4	Government Pension Fund Global	17,001,789	1.84
5	HDFC Mutual Fund *	11,758,907	1.28
6	Axis Mutual Fund *	10,794,277	1.17
7	Nippon Life India Trustee Ltd *	9,731,527	1.06
8	Aditya Birla Sun Life Trustee Private Limited *	7,978,689	0.87
9	Baron Emerging Markets Fund	7,363,351	0.80
10	Life Insurance Corporation of India*	6,916,552	0.75

*Includes various sub-accounts

n. Non-resident Shareholders

The non-resident shareholders are requested to notify the following to the Company in respect of shares held in physical form and to their depository participants in respect of shares held in the dematerialized form:

- Indian address for sending all communications, if not provided so far;
- Change in their residential status on return to India for permanent settlement
- Particulars of Bank Account maintained with a Bank in India, if not furnished earlier
- RBI permission reference number with the date to facilitate credit of dividend in their bank account

o. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

As on March 31, 2021, the outstanding Global Depository Receipts were 820,446. The GDRs are convertible into fully paid equity shares on a 1:1 basis. The underlying shares against the outstanding GDRs have been allotted in the name of the Depository. No ADR or convertible instrument is outstanding as on March 31, 2021.

p. Commodity price risk or foreign exchange risk and hedging activities

Commodities Tea, Coffee, Salt and Pulses form a major part of the business of the Company and hence commodity price risk is one of the important risks for the Company. The Company has a robust framework in place to protect its interests from risks arising out of market volatility. Based on continuous monitoring and market intelligence the sales and procurement team take appropriate strategies to deal with the market volatility.

The Company operates in various geographies and is exposed to foreign exchange risk on its various currency exposures. Volatility in currency exchange movements in GBP, USD, CAD, and AUD can have an impact on the Company's operations. The Company has established foreign currency hedging policies and practices to manage these risks.

q. Commodity risk faced by the Company during the year and how they are managed

Tea is a multi-harvest agricultural commodity and is sold through public auction or by private agreement. Price levels reflect supply/demand position and as an agricultural crop, supply/demand balance may change quickly based on the changes in weather conditions. The Company manages these risks by actively managing the sourcing of tea, distribution of source of supply, private purchases, and alternate blending strategies.

Cyclical movement in coffee commodity markets impacts our business. A decline in the coffee terminal prices results in lower realizations for our Coffee Plantation business in India. Whereas, the US branded coffee operations get adversely impacted by the increase in the coffee terminal prices. The Company manages these commodity risks based on appropriate hedging strategies.

For Salt and Pulses, the price fluctuations are managed through active sourcing and commercial negotiations with customers and suppliers. The Company's exposure to market risks for commodities and currencies is detailed in Note 36B under "Financial Risk Management" forming part of Notes to the Consolidated Financial Statements.

r. Plant locations:

1	Bangalore Packeting Centre*	Survey No. 14/4, A2 & 14/5, NH 4, Bangalore Tumkur Road, Malonagathi Hally, T. Begur Post, Nelamangla Taluk Bangalore Rural District, Karnataka – 562123
2	Periakanal Estate	PO Munnar, Dist. Idukki Kerala – 685612
3	Pullivasal Estate & Packeting Centre	PO Munnar, Dist. Idukki Kerala – 685612
4	Instant Tea Operations (including Nullatani factory)	Post Box no. 3, Idukki District, Munnar, Kerala – 685612
5	Tetley (Tea Bag) Division	73/74 KPK Menon Road, Willingdon Island, Kochi, Kerala – 682 003
6	Mineral Water Plant	Village Dhaula Kuan, District Sirmour, Himachal Pradesh – 173 025

* Closed on March 13, 2021

In addition to the above locations, the Company also operates through third-party contract manufacturers at several locations.

s. Credit Rating

The following is the list of credit ratings assigned/re-affirmed to the Company during the financial year 2020-21:

Instrument Details	Amount (Rs. Crores)	Rating
Long-Term Debt (including Non-Convertible Debenture)	350	ICRA AAA (with Stable Outlook)
Short Term Debt (including commercial Papers) #	715	ICRA A1+
Fund-Based WC Limits#	400	Long Term - ICRA AAA (with Stable Outlook) Short Term - ICRA A1+
Non-Fund Based facility	24	ICRA A1+
Commercial Paper (CP)	715	CARE A1+ (A One plus)

#Total Borrowing under the fund-based facility and commercial paper shall not exceed Rs. 715 Cr

13. TRANSFER OF UNCLAIMED AMOUNTS/ SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

In accordance with the provisions of Sections 124, 125 of the Act, read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") the amount of dividend or any other amount remaining unclaimed or unpaid for a period of seven years is required to be transferred to the IEPF. Further, all the shares in respect of which dividend remained unclaimed or unpaid for seven consecutive years or more, shall also be transferred to the Demat account of the IEPF. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In pursuance of the above, the dividend remaining unclaimed or unpaid in respect of dividends declared for FY 2012-13 had been transferred to the IEPF during FY 2020-21. Consequently, shares in respect of which dividend(s) remained unclaimed or unpaid from FY 2012-13 till FY 2019-20 were also be transferred to IEPF. The details of the unclaimed dividends and shares so transferred are available on the Company's website- https://www.tataconsumer.com/investors/investor-information/iepf-related-matters.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF, are uploaded on the Company's website https://www.tataconsumer.com/investors/investor-information/letters-sent-to-shareholders.

It may be noted that the unclaimed dividend for FY 2013-14 declared on August 26, 2014 along with underling shares, are due to be transferred to the IEPF by September 2021. Members who have not encashed the dividend warrant(s) from FY 2013-14, onwards may forward their claims to the Company's Registrar and Share Transfer Agents **before September 15, 2021, to avoid any transfer of dividend or shares to the IEPF Authority.**

The shares and unclaimed dividends transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in e-Form No. IEPF -5 (available on www.iepf.gov.in) and submit the requisite documents to the Company.

The following table gives information relating to outstanding dividend(s)/sale proceed from fractional shares and the dates when due for transfer to IEPF:

Financial year ended	Date of payment	Nature of Payment	Last Date to claim
March 31, 2014	August 28, 2014	Dividend	September 15, 2021
March 31, 2015	August 19, 2015	Dividend	September 05, 2022
March 31, 2016	August 26, 2016	Dividend	September 13, 2023
March 31, 2017	August 21, 2017	Dividend	September 06, 2024
March 31, 2018	July 09, 2018	Dividend	July 25, 2025
March 31, 2019	June 13, 2019	Dividend	June 26, 2026
March 31, 2020	July 08, 2020	Dividend	July 30, 2027
March 31, 2021	May 28, 2020	Sale proceed from fractional shares	May 24, 2027

While the Registrar of the Company has already written to the shareholders informing them about the due dates of transfer to IEPF for these payments, the attention of the shareholders is again drawn to this matter through the Annual Report.

14. OTHER DISCLOSURES

(a) Related Party Transactions

All Related Party Transactions (RPTs) entered into by the Company during the year under review were on an arms' length basis and in the ordinary course of business. These RPTs did not attract provisions of Section 188 of the Companies Act, 2013 and were also not material RPTs under Regulation 23 of the Listing Regulations. During the year under review, all RPTs were placed before the Audit Committee for its approval (including omnibus approval), as required under Section 177 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations.

Details of transactions with the related parties as specified in Indian Accounting Standards (Ind AS 24) have been reported in the Financial Statements. During the year under review, there was no transaction of a material nature with any of the related parties which were in conflict with the interest of the Company.

The Board had approved a policy for related party transactions which can be accessed at the Company website at https://www.tataconsumer.com/investors/policies?reload.

(b) Declaration of compliance by the Company

There has been no instance of non-compliance and that no penalties, strictures were imposed on the Company by stock exchanges or SEBI during the last 3 (three) financial years.

(c) Establishment of vigil mechanism, whistle blower policy

The Board has approved a whistle-blower policy/ vigil mechanism which has been communicated to the employees. The policy provides a mechanism for employees to report their concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's code of conduct and provides safeguards against the victimisation of employees who avail of the mechanism.

None of the Directors nor any employees were denied access to the Chairman of the Audit Committee.

The policy with the name and address of the Chairman of the Audit Committee has been circulated to the employees. The whistle Blower policy adopted by the Company can be accessed at https://www.tataconsumer.com/investors/policies.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company is compliant with all the mandatory requirements of the Listing Regulations for FY 2020-21.

The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

i) **Shareholders' Rights:** The quarterly and half-yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website and the same are also emailed to the shareholders who have registered their email ids with the Company.

ii) **Modified Opinion in Auditors Report:** The Company's financial statements for FY 2020-21 do not contain any modified audit opinion.

iii) **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee and participates in the meetings of the Audit Committee and presents internal audit observations to the Audit Committee.

(e) Consolidated Fees paid / payable to Statutory Auditors

Total fees paid /payable for all services availed by the Company and its subsidiaries, on a consolidated basis, to Deloitte Haskins & Sells LLP, the Statutory Auditors of the Company and all entities in the network firm/ network entity of which the Statutory Auditors is a part, during the year under review are given below:

Type of Services/Fees	Amount in Crores
Statutory Audit Fees	10.39
Other services including reimbursement of expenses	2.45
Total	**12.84**

(f) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has adopted zero tolerance for sexual harassment at the workplace and has formulated a policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace. Awareness programs were conducted at various locations of the Company.

There were no complaints relating to sexual harassment, pending at the beginning of financial year, received during the year and pending as on the end of the Financial Year 2020-21.

(g) Compliance with Accounting Standard

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.

(h) Subsidiary Companies

In terms of Regulation 24(1) of the Listing Regulations, Company has two unlisted material subsidiaries incorporated outside India i.e. Tata Consumer GB

Limited and Tata Consumer UK Group Limited. In compliance with the above-mentioned Regulation, Mr. Bharat Puri, Independent Director of the Company has been appointed as Director on the Board of the above-mentioned unlisted material subsidiaries. The Company is compliant with other provisions of Regulation 24 of Listing Regulations. A policy to determine a material subsidiary has been framed and the same may be accessed on the Company's website at the link https://www.tataconsumer.com/investors/policies?reload .

15. CEO/CFO CERTIFICATION

The Managing Director & CEO and Chief Financial Officer (CFO) have issued a certificate according to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed as **Annexure II** to this report and forms part of the Annual Report.

16. CERTIFICATE ON CORPORATE GOVERNANCE

A Compliance certificate from Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary pursuant to Schedule V of the Listing Regulations regarding the compliance of conditions of corporate governance. The said certificate is annexed as **Annexure III** to this report and forms part of the Annual Report.

17. CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING NON-DEBARMENT AND NON-DISQUALIFICATION OF DIRECTORS

The Company has obtained a certificate from Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority. The said certificate is annexed as **Annexure IV** to this report and forms part of this Annual Report.

18. GREEN INITIATIVE

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Shareholders at their e-mail address previously registered with the DPs and RTA.

Shareholders who have not registered their e-mail addresses are requested to do the same. Those holding shares in Demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

19. WEBLINK FOR CORPORATE INFORMATION AND POLICIES:

Particulars	Website links
Composition and profile of the Board of Directors	https://www.tataconsumer.com/investors/Board-Of-Directors-List/board_of_directors
Terms and conditions of appointment of Independent Directors	https://www.tataconsumer.com/investors/Board-Of-Directors-List/terms_and_conditions?reload
Policy for appointment and removal of Directors	https://www.tataconsumer.com/investors/policies
Familiarisation programme for Independent Directors	https://www.tataconsumer.com/investors/Board-Of-Directors-List/familiarization-programme?reload
Remuneration Policy of Directors, KMPs, and Other employees	https://www.tataconsumer.com/investors/policies
Tata Code of Conduct	https://www.tataconsumer.com/investors/Board-Of-Directors-List/code-of-conduct?reload
Dividend Distribution Policy	https://www.tataconsumer.com/investors/policies
Criteria for making payments to Non-Executive Directors	https://www.tataconsumer.com/investors/policies
Code of conduct for Non-Executive Directors	https://www.tataconsumer.com/investors/Board-Of-Directors-List/code-of-conduct?reload
Corporate Social Responsibility Policy	https://www.tataconsumer.com/investors/policies
Policy on Related Party Transactions	https://www.tataconsumer.com/investors/policies
Policy for determining material subsidiaries	https://www.tataconsumer.com/investors/policies
Policy on determining materiality for disclosure	https://www.tataconsumer.com/investors/policies
Whistle Blower Policy	https://www.tataconsumer.com/investors/policies
Code for Corporate Disclosure Practices	https://www.tataconsumer.com/investors/policies
Document retention and Archival Policy	https://www.tataconsumer.com/investors/policies
Prevention of Sexual Harassment (POSH) at Workplace policy	https://www.tataconsumer.com/investors/policies
Anti-Bribery & Anti-Corruption Policy	https://www.tataconsumer.com/investors/policies
Quarterly Shareholding Pattern	https://www.tataconsumer.com/investors/investor-relations/shareholding-pattern

ANNEXURE I TO THE REPORT

Declaration by the CEO on Code of Conduct as required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Sunil D'Souza, Managing Director and CEO of the Company hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, in respect of the financial year 2020-21.

For Tata Consumer Products Limited

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

Mumbai
May 6, 2021

ANNEXURE II TO THE REPORT

CEO/CFO Certification in respect of Financial Statements and Cash Flow Statement

[pursuant to regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015]

For the Financial Year ended March 31, 2021

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2021 and we hereby certify and confirm to the best of our knowledge and belief the following:

a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.

c. There are no transactions entered in to by the Company during the year ended March 31, 2021 which are fraudulent, illegal or violative of Company's Code of Conduct.

d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.

e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.

f. That there have been no significant changes in the accounting policies during the relevant period.

g. We have not noticed any fraud particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

For Tata Consumer Products Limited

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

Sd/-
John Jacob
Chief Financial Officer

Mumbai,
May 6, 2021

ANNEXURE III TO THE REPORT

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE
To the Members of TATA CONSUMER PRODUCTS LIMITED

I have examined the compliance of the conditions of Corporate Governance by Tata Consumer Products Limited (Formerly Tata Global Beverages Limited) ("the Company") for the year ended on 31st March 2021, as stipulated in The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) (Amendment) Regulations, 2018 (hereinafter collectively referred to as " Listing Regulations");

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations during the year ended 31st March, 2021.

I state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

It may be noted that I have conducted online verification & examination of records, as facilitated by the Company (where ever required), due to Covid-19 and subsequent measures taken by the concerned authorities, for the purpose of issuing this Report.

Sd/-
Dr. Asim Kumar Chattopadhyay
Practising Company Secretary
FCS No. 2303
Certificate of Practice No. 880
Peer Review – 792/2020

Date: May 6, 2021
Place: Kolkata
UDIN: F002303C000248593

ANNEXURE IV TO THE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
TATA CONSUMER PRODUCTS LIMITED
1, Bishop Lefroy Road,
Kolkata – 700 020

I have examined the relevant registers, records , forms returns and disclosures received from the Directors of **M/s TATA CONSUMER PRODUCTS LIMITED** having **CIN - L15491WB1962PLC031425** and having registered office at 1, Bishop Lefroy Road, Kolkata – 700 020 (hereinafter referred to as "the Company") produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) and Schedule V Para C clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending 31st March, 2021 has been debarred or disqualified from being appointed or continuing as Directors of the Companies by the SEBI, MCA or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in the company
1	SANTHANAKRISHNAN SANKARAN	00032049	28/05/2013
2	SHIKHA SANJAYA SHARMA	00043265	07/05/2019
3	SUNIL ALARIC D'SOUZA	07194259	04/04/2020
4	CHANDRASEKARAN NATARAJAN	00121863	03/07/2017
5	SIRAJ AZMAT CHAUDHRY	00161853	03/07/2017
6	LAKSHMANAN KRISHNA KUMAR	00423616	01/04/2013
7	PATHAMADAI BALACHANDRAN BALAJI	02762983	08/08/2020
8	BHARAT TILAKRAJ PURI	02173566	07/05/2019

Mr. Harish Ramananda Bhat ceassed to be Director effective 07/08/2020 and Mr. Pathamadai Balachandran Balaji joined the Board as an Additional Director effective 08/08/2020 .

Ensuring the eligibilty for the appointment / continuity of every director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficency or effectiveness with which the management has conducted the affairs of the company.

It may be noted that I have conducted on line verification & examination of records, as facilitated by the Company (where ever required), due to Covid-19 and subsequent measures taken by the concerned authorities, for the purpose of issuing this Certificate.

Sd/-
Dr. Asim Kumar Chattopadhyay
Practising Company Secretary
Membership No.: FCS - 2303 CP No.: 880
Peer Review - 792/2020

Place : Kolkata
Date: April 22, 2021
UDIN: F002303C000154807

Business Responsibility Report

[Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company:	L15491WB1962PLC031425
2.	Corporate Name of the Company:	Tata Consumer Products Limited
3.	Registered address:	1, Bishop Lefroy Road, Kolkata - 700020
4.	Website:	www.tataconsumer.com
5.	E-mail id:	Investor.relations@tataconsumer.com
6.	Financial Year reported:	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):	

Group	Description
10791	Processing and blending of tea including the manufacture of instant tea
46306	Trading of coffee products
01271	Growing of Tea
11043	Manufacture of mineral water
46309	Trading of Salt
107	Manufacture of food ingredients and Sweeteners
462	Wholesale of Pulses
202	Manufacture of Detergents

8.	List three Key products/services that the Company manufactures/provides (as in the balance sheet):	**Beverages:** Tea, Coffee and Water/Ready to Drink products **Food:** Edible Salt, Pulses and Spices
9.	Total number of locations where business activity is undertaken by the Company	
(a)	Number of International Locations (Provide details of major 5)	Nil (on a standalone basis)
(b)	Number of National Locations	**72**
10.	Market Served by the Company-Local/State/National/International	The Company sells its products across all states in India as well as several countries in the world.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid-up Capital (INR)	Rs 92.16 Crores
2.	Total Turnover (INR)	Rs. 7287.37 Crores
3.	Total profit after taxes (INR)	Rs. 619.51 Crores
4.	Total Spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax (%)	Rs. 11.74 Crores as per Section 135 of the Companies Act, 2013, equivalent to 2.05% of Average Net Profit of the Company for last 3 financial years.
5.	List of activities in which expenditure in 4 above has been incurred:-	Please refer to Annexure 1 (CSR Annual Report) of Board's Report for details

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If Yes, then indicate the number of such subsidiary company(s)	No

3.	Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	60% of suppliers of tea participate in trustea - the India sustainable tea program, which is one of the BR initiatives of the Company.

SECTION D: BUSINESS RESPONSIBILITY ("BR") INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director responsible for the implementation of the BR policy/policies

DIN Number	07194259
Name	Sunil D'Souza
Designation	Managing Director & CEO

(b) Details of BR Head:

DIN	NA
Name	Dr. Anurag Priyadarshi
Designation	Director - Sustainability
Telephone number	+91-80-67171200
E-mail id	Anurag.priyadarshi@tataconsumer.com

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3: Businesses should promote the well-being of all employees

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5: Businesses should respect and promote human rights

P6: Business should respect, protect, and make efforts to restore the environment

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

P8: Businesses should support inclusive growth and equitable development.

P9: Business should engage with and provide value to their customers and consumers in a responsible manner.

Details of compliance (Reply in Y/N)

Principles of the National Voluntary Guidelines

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policies for -	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If Yes, specify? (50 words)	Y#	Y#	Y#	Y#	Y#	Y#	Y#	Y#	Y#
4	Has the policy being approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	If Yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online@	1,2	1,3,4,5	1	1,3,4	1	1,4	1	1,3,4	1
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*

Y# All policies have been developed by the Tata Group, as a result of detailed consultations and research on the best practices adopted across the globe, and these apply to all the Tata Group companies. The Company has also developed some specific policies which are based on the Tata Code of Conduct.

Y* All policies applicable to the Company are evaluated internally.

@ The following policies can be accessed at www.tataconsumer.com

1. The Tata Code of Conduct.
2. Whistle Blower Policy.
3. Affirmative Action Policy.
4. Natural Food & Beverages Policy.
5. Supplier Code of Conduct

3. Governance related to Business Responsibility (BR)

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The CSR Committee of the Board meets at least twice annually to review the sustainability and CSR performance of the Company. Besides, the Board which meets at least four times in a year also reviews the BR performance of the Company
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company has been voluntarily publishing its Annual Business Responsibility Report (ABRR) since 2013. Since FY 2016-17, as mandated by SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company has been publishing Business Responsibility Report (BRR) as a part of its Annual Report. In addition to the above, the Company has also published its first Sustainability Report for 2019-20 as per Global Reporting Initiatives (GRI) norms that can be accessed: https://www.tataconsumer.com/docs/default-source/default-document-library/tcpl-sustainability-report-(1).pdf?sfvrsn=0

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors /NGOs /Others?	No. The Company's ethics policy as embodied in the Tata Code of Conduct extends to subsidiaries, JVs, suppliers, contractors, vendors, etc.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	In FY 2020-21, a total of 16 complaints were received by the Company out of those 15 complaints have been resolved. The investigation on the remaining 1 complaint is ongoing. 11 complaints were received through the Company's ethics helpline, 2 were received by the Group ethics office and 3 were received directly

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities	**Tea, Salt, Pulses & Spices.** Our product range aims to provide nourishment and nutrition to millions of consumers across India. 1. **Tata Salt Plus:** India has a high incidence of Iron Deficiency Anaemia ('IDA'). To address the same, the Company launched Tata Salt Plus, a double fortified salt that contains iron and iodine. It provides up to 50% of the body's daily requirement of iron. Since salt is used across all segments of society throughout the year, this is an effective way to deliver iron to the populace and thus tackle the problem of IDA. 2. Through **Tata Sampann**, the Company offers high-protein unpolished pulses, and spices, designed for the modern Indian household. Packed with the promise of wholesome nutrition, and a guarantee of purity and freshness, Tata Sampann pulses and spices are available across India. The Tata Nx range provides next-level nutritional products and healthy ingredients to meet the nutritional needs of evolving Indian palettes, with products including low-calorie sugar substitutes and protein. 3. **Tetley Green Tea**: Green tea's benefits have been well documented, in addition to fighting free radicals, adding green tea to the diet can help to detoxify the body and help with issues like stress and fatigue. https:// www.tetley.in/blogs/5-surprising-facts-about-green- tea
2	For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product(optional):	
(a)	Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?	The Company is committed to sustainable food & beverages production and consumption and below are some key highlights: • Tea Packeting Centers in India have reduced energy consumption (Kwh/kg) by 11.41% during FY 2020-21 compared to FY 2019-20 • The truck utilization for FY 2020-21 is of the same level as of FY 2019-20 for the product movement (Tea) across all the plants to the sales depot (primary leg) • As part of water conservation, all factory roofs were connected to groundwater recharge • Tea Packeting Centers have generated renewable energy through solar power to the tune of 9.94 lakh Kwh which is 11.48 % of total India Domestic Factories Kwh • Tea Packeting Centres have generated 9.94 lakh Kwh of solar energy in FY 2020-21 which is 11.16% higher compared to FY 2019-20. • Opening of Gopalpur plant reduces the distance travelled for Finished Goods from plant to depots by circa 3% driven primarily by proximity to demand cluster in Odisha, Chhattisgarh, and parts of Telangana. • Food Division has put up a Solar plant at Nagpur CFA and generated 18609 Kwh in 2020-21. • For Tata Salt volume packed in recyclable laminate is 6.27 lakh MT in 2020-21 which is 53% of the total packing

(b)	Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not applicable
3	Does the company have procedures in place for sustainable sourcing (including transportation)?	Yes, the Company has a sustainable sourcing strategy and is a co-founder of the trustea program in India for sustainably transforming Indian tea. The trustea program has cumulative verified volumes till March 2021 at 690 million Kg of tea. (Source:http://trustea.org/) During the Primary Packing material Vendor selection process, the Company ensures that Vendors confirm the social, ethical, and environmental performance factors. This is ensured both through audits as well as contractual terms built into contracts
(a)	If Yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	**Tea -** About 60% of all the tea the Company buys in India is trustea certified. **Salt -** 99% of the bulk salt is moved by rake loads from source to our packing centers. **Packaging** - 100% of our Packaging Vendors are compliant with sustainable sourcing norms. There is clear communication in the Purchase order terms and in our contracts on our expectation from Vendors to deliver on social, ethical, and environmental factor.
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	Yes, **Tea -** The Company makes a strategic effort to procure raw material (tea) from small tea growers verified by the trustea program. **Pulses -** The Company has a vendor development program. The Company has started working with small farmer producer companies for the procurement of Pulses. **Goods & Services** – The Company procures goods and services from local and small producers, including communities surrounding our places of operation (Packing centers). CFCs, masonry/carpentry services, etc are categories that are sourced locally
(a)	If Yes, what steps have been taken to improve their capacity and capability of local and small vendors?	**Raw material (tea)** – Over 60,000 small tea growers have been trained on sustainable agricultural practices through trustea. Please see para 3 (a) above. **Raw Material (pulses) -** Continuous trainings are imparted to improve the manufacturing and handling process so that the product quality is as per the market expectations. This helps improve the market access for the producers. **Other goods and services -** The local Vendors are always given priority for undertaking job works in our factories. High-performing vendors in the CFC category are rewarded with increased business volumes.
5	Does the company have a mechanism to recycle products and waste? If Yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The Company is committed to circularity in waste management. All beverage factories worldwide are now zero waste to landfill and all wastes are disposed of through authorized vendors who recycle or repurpose them to avoid landfill. Under the Plastic Waste Management Rules in India, the Company has implemented Extended Producer Responsibility (EPR) Plan for the collection and reprocessing of 100% plastic packaging waste on a brand-neutral basis. About 53 % of all Tata Salt packaging was recyclable in FY 2020-21.

Principle 3 Businesses should promote the well-being of all employees

1.	Please indicate the Total number of employees.	**2,852**
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	**1340**
3.	Please indicate the Number of permanent women employees.	**828 (including plantations workers)**
4.	Please indicate the Number of permanent employees with disabilities	**17**
5.	Do you have an employee association that is recognized by management?	**Yes**
6.	What percentage of your permanent employees is members of this recognized employee association?	**Around 59%**
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:	

Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
Child labour/forced labour/involuntary labour	Nil	Nil
Sexual harassment	Nil	Nil
Discriminatory employment	Nil	Nil

8	What percentage of your under-mentioned employees were given safety training in the last year?	
	(a) Permanent Employees	48%
	(b) Permanent Women Employees	46%
	(c) Casual/ Temporary/ Contractual Employees	99%
	(d) Employees with Disabilities	90%

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1	Has the company mapped its internal and external stakeholders? Yes/No	Yes
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?	Yes
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	The Company supports the tea tribes in Assam through the trustea program on sustainable agricultural practices. The Company support persons with disabilities through Srishti Trust and Coorg Foundation. The UNICEF-Ethical Tea Partnership Program is promoting the multi-sectoral development of adolescent girls and women in tea estates of Assam. More details are available in Annexure 1 of the Board's Report and on www.tataconsumer.com

Principle 5 - Businesses should respect and promote human rights

1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?	The Company's policy on human rights as detailed in the Tata Code of Conduct extends to JVs Subsidiaries, Associates, suppliers, contractors, vendors, etc. The Company also have the Supplier Code of Conduct for its suppliers.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	Nil

Principle 6 - Businesses should respect, protect, and make efforts to restore the environment

1	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers /Contractors/ NGOs/others?	The Natural Food & Beverages Policy is the apex sustainability and CSR policy of the Company. The Tata Code of Conduct which covers the protection of the environment applies to JV's, Subsidiaries and Suppliers.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If Yes, please give a hyperlink for the webpage, etc.	Yes. https://www.tataconsumer.com/sustainability/climate-change/introduction
3	Does the company identify and assess potential environmental risks? Y/N	Yes
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If Yes, please give a hyperlink for the webpage, etc.	Project Jalodari is the Company's flagship water management program with the goal to provide water and sanitation solutions for communities. Details of such project can be accessed at https://www.tataconsumer.com/sustainability
6	Are the Emissions/Waste generated by the company within the permissible limits are given by CPCB/SPCB for the financial year being reported?	Yes
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year.	Nil

Principle 7 - Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

1	Is your company a member of any Trade and Chamber or Association? If Yes, name only those major ones that your business deals with	Yes. Some organisations are Confederation of Indian Industries (CII), Federation of India Chambers of Commerce and Industry (FICCI), National Safety Council, Kerala State Productivity Council, Federation of All India Tea Traders Association, Bombay Chamber of Commerce, Bangalore Chamber of Industry and Commerce, Indian Tea Association - Kolkata. The Bengal Chamber of Commerce & Industry, Tea Board – Kolkata, Calcutta Tea Traders Association, The Tea Trade Association of Cochin, The Coimbatore Tea Trade Association, The Coonoor Tea Trade Association, Cochin Chamber of Commerce and Industry, Indian Chamber of Commerce and Industry, Guwahati Tea Auction Centre, Siliguri Tea Auction centre, Guwahati Tea Buyers Association, Export Promotion Council, ASSOCHAM, Export Promotion Council, The Company Care (Waste efficient collection and recycling efforts, a society of about 35 FMCG companies for circular economy in plastic waste), All India Spices Exporters Forum, India Pulses and Grains Association.
2	Have you advocated/lobbied through the above associations for the advancement or improvement of public good? Yes/No; if Yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others	Yes. Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles.

Principle 8 - Businesses should support inclusive growth and equitable development

1	Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If Yes, details thereof	Yes. The Company's BR initiatives/projects undertaken pursuant to Section 135 of the Companies Act 2013 support inclusive growth. Additionally, the Company abides by the Tata Group Affirmative Action Policy, details of which are given in Annexure 1 to the Board's Report.
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?	Yes. Please refer Annexure 1 to the Board's Report for details.
3	Have you done any impact assessment of your initiative?	Yes.
4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?	Rs. 11.74 Crores as per Section 135 of the Companies Act, 2013. For more details please refer to Annexure 1 to the Board's Report.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Yes. The Sustainability and CSR initiatives are also periodically reviewed by the Senior Management and the CSR Committee of the Board. The feedback provides the basis for which the deployment of programmes is continuously improved.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	2.93% of the total customer complaints receive through Customer care were pending at the end of financial year. During the year under review 4 Consumer Cases were received, which were pending at the end of financial year.
2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)	Yes. Product information including its sourcing and processing is provided either as declaration or in product story. Ingredient percentages in case of flavours and quantity in case of teabags are declared on the packs wherever it is relevant. Environment management information like guidelines for plastic disposal, recyclability information, Tidyman logo for clean environment, resin information to enable identification of recycling stream are also given on the packs for information to the consumers.

3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	None
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes. Consumer and Customer satisfaction survey is carried out by the Company every year. Consumer surveys help to understand behaviours and opinions on product usage, product acceptance, and building a future portfolio. Customer satisfaction is carried out periodically to track loyalty and understand what parameters drive it. The Company conducts consumer research to understand consumer response to our marketing communication and creation of new product offering.

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

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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
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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
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

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

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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 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.

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

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.

Notes

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

Notes

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

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

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

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

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

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

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

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**

Notes

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

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

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

Unquoted Preference Shares

	Face Value	Nos.		Rs. in Crores	
		2021	2020	2021	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.		Rs. in Crores	
		2021	2020	2021	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

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

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

Notes

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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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**

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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

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

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

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**

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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**

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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)

Sr. No.	Key Audit Matter	Auditor's Response
3.	**Inventory of raw / cured coffee beans ("green coffee beans"), tea and pepper (Valuation) – Tata Coffee Limited –** Finished goods inventory are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always a volatility in the selling price of green coffee beans, tea and pepper, which is dependent upon various market conditions 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.	**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.

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
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Mumbai, May 06, 2021

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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)

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Director
(DIN 00032049)

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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
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(DIN: 07194259)

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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.

Notes

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

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

Notes

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

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

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

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.

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3. PROPERTY PLANT AND EQUIPMENT

Rs in Crores

	Land	Bearer Assets	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipment	Motor Vehicles	Total Tangible Assets
Cost								
As at April 1, 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	Nos 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	Nos 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	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	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.

Notes

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

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)**

Notes

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**

Notes

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.

Notes

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

(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)**

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The joint ventures have no significant contingent liabilities to which the Group is exposed, and the Group has no significant contingent liabilities in relation to its interest in the joint ventures and associates. The risks associated with the Group's interest in joint ventures are the same as those identified for the Group.

Associates

A list of Group's associates is given below. All associates are included in the Group's financial statements using the equity method of accounting:

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

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

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.

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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.

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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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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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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.

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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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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.

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

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%.

– **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.

Notes
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

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

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

Notes

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

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.

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

SI 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)

Notes

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

Notice of the Annual General Meeting

Notice is hereby given that the Fifty-Eighth Annual General Meeting of Tata Consumer Products Limited (formerly known as Tata Global Beverages Limited) will be held on **Friday, June 25, 2021, at 10.30 a.m. IST** through Video Conferencing or Other Audio-Visual Means, to transact the following business:

ORDINARY BUSINESS:

1. **Adoption of Audited Standalone Financial Statements**
   To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon.

2. **Adoption of Audited Consolidated Financial Statements**
   To receive, consider and adopt the Audited Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.

3. **Declaration of Dividend**
   To declare a dividend of Rs. 4.05 per equity share of the face value of Re. 1 each, of the Company for the financial year ended March 31, 2021.

4. **Appointment of Mr. N. Chandrasekaran (DIN 00121863) as Director, liable to retire by rotation**
   To appoint a Director in place of Mr. N. Chandrasekaran (DIN 00121863) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

SPECIAL BUSINESS:

5. **Ratification of the Remuneration of Cost Auditors**
   To consider and if thought fit to pass, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), (including any statutory modifications or re-enactments thereof, for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 4,20,000/- (Rupees Four Lakh Twenty Thousand only) plus taxes and reimbursement of out-of-pocket expenses incurred in connection with the cost audit, payable to M/s Shome & Banerjee, Cost Accountants (Firm Registration Number 000001), who are appointed by the Board of Directors of the Company, as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2022.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **Appointment of Mr. P. B. Balaji (DIN 02762983) as a Director**
   To consider and if thought fit to pass, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee ("NRC"), applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder (including any statutory modifications or re-enactments thereof, for the time being in force) and the Articles of Association of the Company, Mr. P. B. Balaji (DIN 02762983), who was appointed as an Additional Director of the Company by the Board of Directors with effect from August 8, 2020, and holds office until the date of this Annual General Meeting in terms of Section 161 of the Act and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive (Non-Independent) Director of the Company, liable to retire by rotation."

NOTES

1. In view of the global outbreak of the Covid-19 pandemic, social distancing is a norm to be followed. Accordingly, the Ministry of Corporate Affairs ("**MCA**") vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/ 2020 dated April 13, 2020, followed by General Circular No. 20/2020 dated May 5, 2020 read with General Circular No.02/2021 dated January 13, 2021 (collectively referred to as "**MCA Circulars**") has permitted the holding of the annual general meeting

through Video Conferencing ("**VC**") or through Other Audio-Visual Means ("**OAVM"**), without the physical presence of the Members at a common venue. The Securities and Exchange Board of India **("SEBI")** vide its circular dated January 15, 2021 read with May 12, 2020 ("**SEBI Circulars**") has granted relaxation in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode.

In compliance with the provisions of the Companies Act, 2013 ("**the Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and MCA Circulars and SEBI Circulars, the 58th Annual General Meeting **("Meeting"** or "**AGM**") of the Company is being held through VC / OAVM on **Friday, June 25, 2021 at 10:30 a.m. (IST)**. The proceedings of AGM deemed to be conducted at the Registered Office of the Company situated at 1, Bishop Lefroy Road, Kolkata – 700 020.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

3. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors intending to appoint their authorized representatives pursuant to Section 113 of the Act, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at asimsecy@gmail.com with a copy marked to evoting@nsdl.co.in, latest by Thursday, June 24, 2021 (upto 10:30 a.m).

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos. 5 & 6 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.

6. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 5 & 6 of the Notice is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at the AGM is provided as annexure to the Notice. Requisite declarations have been received from Director/s for seeking appointment/re-appointment.

7. **The Members can join the AGM through VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.** Pursuant to Regulation 44(6) of Listing Regulations, the Company is also providing live webcast of proceedings of the AGM. The Members will be able to view the proceedings on National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

8. Further, pursuant to the MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report for FY 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / the Registrar / Depositories. The Notice convening the AGM has been uploaded on the website of the Company at www.tataconsumer.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.

9. **Book Closure and Dividend:**

   The Register of Members and the Share Transfer Books of the Company will be closed from **Saturday, June 12, 2021 to Friday, June 18, 2021** (both days inclusive) for the purpose of this AGM and for determining entitlement of members to final dividend for the financial year ended March 31, 2021, if approved at the AGM.

The dividend of Rs. 4.05 per equity share of Re. 1 each (405%), if declared at the AGM, will be paid subject to deduction of tax at source ('TDS') **on or after June 29, 2021 and before July 25, 2021** as under:

(a) To all the Beneficial Owners as at the end of the day on **Friday, June 11, 2021** as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

(b) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours on **Friday, June 11, 2021**.

Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members, subject to availability of postal services and /or courier services.

10. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders w.e.f. April 1, 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 **("the IT Act")**. In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents by **Friday, June 11, 2021 (upto 7:00 pm).** For the detailed process, please visit website of the Company https://www.tataconsumer.com/investors/investor-information/letters-sent-to-shareholders 'Communication on Tax Deduction on Dividend'.

11. Further, in order to receive the dividend in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA - TSR Darashaw Consultants Private Limited, at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai- 400 083, latest by **Monday, June 7, 2021**:

a) A signed request letter by the first holder, mentioning the name, folio number, complete address and following details relating to bank account in which the dividend is to be received:

i) Name of Bank and Bank Branch ;

ii) Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions; and

iii) 11-digit IFSC Code.

iv) 9 digit MICR Code

b) Original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

c) Self-attested copy of the PAN Card; and

d) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

12. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, TSR Darashaw Consultants Private Limited (**"Registrar" or "RTA" or "TSRD"**) at csg-unit@tcplindia.co.in for assistance in this regard. Members may also refer to Frequently Asked Questions (FAQs) on the TSR's website https://www.tcplindia.co.in/faq.html.

13. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the Demat account of the IEPF Authority. **In view of this, Members/Claimants are requested to claim their unpaid/unclaimed dividends from FY 2013-14 till date, on or before September 15, 2021**. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in For details, please refer to corporate governance report which is a part of this Annual Report and investor page on Company's website www.tataconsumer.com.

14. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their Depository Participant ("**DP**") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

15. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. The said forms can be downloaded from the RTA's website at https://www.tcplindia.co.in/client-downloads.html. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting your folio no.

16. The format of the Register of Members prescribed by the MCA under the Act require the Company/ Registrar and Share Transfer Agent to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing additional details will be provided upon request to be made to RTA/the Company. Members holding shares in physical form are requested to submit the filled in form to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.

17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

18. During the AGM, Members may access the electronic copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at AGM2021@tataconsumer.com, latest by June 24, 2021 (upto 3:00 p.m).

19. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

20. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.

21. **Process for those shareholders whose e-mail ids are not registered with the Depositories/the Company for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this Notice:**

    (i) **Registration of email addresses with TSRD:** The Company has made special arrangements with TSRD and NSDL for registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/ DPs are required to provide the same to TSRD **on or before 5:00 p.m. IST on Friday, June 18, 2021.**

Process to be followed for registration of e-mail address is as follows:

(a) Visit the link: https://tcpl.linkintime.co.in/EmailReg/Email_Register.html

(b) Select the Name of the Company from dropdown: **Tata Consumer Products Limited**

(c) Enter the DP ID & Client ID / Physical Folio Number , Name of the Member and PAN details. Members holding shares in physical form need to additionally enter one of the share certificate(s) number .

(d) Enter Mobile No and email id and click on Continue button

(e) System will send OTP on Mobile and Email Id.

(f) Upload self-attested copy of PAN card and Address proof viz Aadhar Card, passport or front and back side of share certificate in case of Physical folio

(g) Enter the OTP received on Mobile and Email Address.

(h) The system will then confirm the e-mail address for receiving this AGM Notice.

After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Annual Report for FY 2020-21 along with the e-Voting user ID and password. In case of any queries, Members may write to csg-unit@tcplindia.co.in or evoting@nsdl.co.in.

(ii) **Registration of e-mail address permanently with Company/DP:** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with TSRD, in respect of physical holding, by sending a written request duly signed by the 1st named shareholder. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs / TSRD to enable servicing of notices / documents / Annual Reports and other communications electronically to their e-mail address in future.

22. **Alternatively, Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing demat account number / Folio number, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card).**

In case of Individual Shareholders holding securities in demat mode are requested to follow steps mentioned below in Para 32 below under Step 1 (A) i.e "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

23. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.

24. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of **Friday, June 18, 2021** may cast their vote by **remote e-Voting**. **The remote e-Voting period commences on Tuesday, June 22, 2021 at 9.00 a.m. (IST) and ends on Thursday, June 24, 2021 at 5.00 p.m. (IST).** The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before the AGM and e-Voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the **cut-off date of Friday, June 18, 2021**. Subject to receipt of requisite number of votes, the Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM i.e. **Friday, June 25, 2021**. The Notice of the AGM indicating the instructions of remote e-voting process can be downloaded from the NSDL's website www.evoting.nsdl.com or the Company's website www.tataconsumer.com.

25. Members will be provided with the facility for voting through electronic voting system during the video conferencing proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the member has already cast the vote through remote e-Voting.

26. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. **Friday, June 18, 2021**, shall be entitled to avail the facility of remote e-voting before the AGM as well as e-Voting during the AGM. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e. **Friday, June 18, 2021**, may obtain the User ID and password by sending a request along with the requisite documents as mentioned in Para 22 above, at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned **Para 32 below under Step 1 (A) i.e "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

27. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

28. Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary (Membership No. FCS 2303 & CP No. 880) has been appointed as the Scrutinizer by the Board for providing facility to the Members of the Company to scrutinize remote e-Voting process before the AGM as well as remote e-Voting during the AGM in a fair and transparent manner.

29. The Scrutinizer will submit his report to the Chairman or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges on which the Company's shares are listed, NSDL, and RTA and will also be displayed on the Company's website at www.tataconsumer.com.

30. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address at AGM2021@tataconsumer.com **before 5.00 p.m. (IST) on Monday, June 21, 2021.** Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

31. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at AGM2021@tataconsumer.com between **Friday, June 18, 2021 (9:00 a.m. IST) and Monday, June 21, 2021 (5:00 p.m. IST**). **Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.** The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

32. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, VOTING DURING THE MEETING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:**

    The remote e-voting period begins on **Tuesday, June 22, 2021** at 9:00 A.M. and ends on **Thursday, June 24, 2021** at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Friday, June 18, 2021**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Friday, June 18, 2021**.

    How to vote electronically using NSDL e-Voting system?

    The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

(A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in **Demat mode with NSDL**	A. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. B. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp C. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in **Demat mode with CDSL**	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in **Demat mode) login through their Depository participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

(B) Login Method for e-Voting and joining the meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

How to Login to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can Login at https://eservices.nsdl.com/ with your existing IDEAS login. Once you Login to NSDL eservices after using your Login credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	**For Members who hold shares in demat account with NSDL.**	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b)	**For Members who hold shares in demat account with CDSL.**	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c	**For Members holding shares in Physical Form.**	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is **116025** then user ID is **116025001*****

5. Password details for shareholders other than Individual shareholders are given below:
   a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c. How to retrieve your 'initial password'?
      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select **"EVEN 116025"** of **Tata Consumer Products Limited** to cast your vote during the remote e-Voting period and casting your vote during the AGM. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to asimsecy@gmail.com with a copy marked to evoting@nsdl.co.in, latest by Thursday, June 24, 2021 (upto 10:30 a.m).

b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Assistant Manager, NSDL at evoting@nsdl.co.in.

d) Please refer **Para 21 & 22** above for process for those shareholders whose email ids are not registered with the depositories / the Company for procuring user id and password for e-voting for the resolutions set out in this notice.

33. **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

    1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

    2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

    3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

    4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

34. **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

    i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

    ii. Members are encouraged to join the Meeting through Laptops for better experience.

    iii. Further, Speakers will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

    iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

By Order of the Board of Directors

Neelabja Chakrabarty
Company Secretary
(Membership No: ACS 16075)

Mumbai
May 6, 2021

Registered Office:
1, Bishop Lefroy Road, Kolkata – 700 020
CIN - L15491WB1962PLC031425
E-mail id: investor.relations@tataconsumer.com
Website address: www.tataconsumer.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")

As required by Section 102 of the Act, the following explanatory statement sets out all material facts relating to the businesses mentioned under Item Nos. 5 & 6 of the accompanying Notice.

Item No. 5:

Ratification of the remuneration of Cost Auditors

The Company is required, under the provisions of Section 148(3) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 ("the Rules"), as amended from time to time, to have the audit of its cost records conducted by a cost accountant in practice

The Board, based on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Shome & Banerjee, Cost Accountants, (Firm Registration Number 000001), as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2022.

As per the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for approval of the remuneration of Rs 4,20,000/- (Rupees Four Lakh Twenty Thousand only) payable to the Cost Auditors, for the financial year ending March 31, 2022.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, in the Resolution set out at Item No. 5 of the Notice.

Item No. 6:

Appointment of Mr. P. B. Balaji (DIN 02762983) as a Director

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), appointed Mr. P. B. Balaji (DIN 02762983) as an Additional Director to hold office as Non-Executive (Non-Independent) Director on the Board of the Company with effect from August 8, 2020, until the date of this Annual General Meeting in terms of Section 161 of the Act.

Mr. Balaji is a graduate of the Indian Institute of Technology, Chennai, and has a post-graduate management degree from the Indian Institute of Management, Kolkata. He is a global finance professional with over two decades of experience in the corporate sector. Mr. Balaji is the Group Chief Financial Officer of Tata Motors Limited since November 2017.

The Company has received a notice in writing from a Member under section 160(1) of the Act proposing his candidature for the office of Director of the Company and Mr. Balaji, has consented to act as a Director of the Company. In accordance with the proviso to Section 160 (1), the NRC and the Board of the Company has considered and recommended to the shareholders, appointment of Mr. P. B. Balaji, as a Non-Executive (Non-Independent) Director of the Company, liable to retire by rotation.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

Except Mr. P. B. Balaji and his relatives, none of the other Directors, Key Managerial Personnel of the Company, or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 6 of the accompanying Notice.

By Order of the Board of Directors

Neelabja Chakrabarty
Company Secretary
(Membership No: ACS 16075)

Mumbai
May 6, 2021

Registered Office:
1, Bishop Lefroy Road, Kolkata – 700 020
CIN - L15491WB1962PLC031425
E-mail id: investor.relations@tataconsumer.com
Website address: www.tataconsumer.com

ANNEXURE TO THE NOTICE

Details of Directors seeking Appointment/Re-appointment at the Fifty Eighth Annual General Meeting

Name of Director	Mr. N. Chandrasekaran	Mr. P. B. Balaji
Director Identification Number (DIN)	00121863	02762983
Designation/category of the Director	Chairman (Non-Executive Director)	Non-Executive (Non-Independent) Director
Date of Birth & Age	June 2, 1963 (57 years)	September 9, 1969 (51 Years)
Date of the first appointment	July 3, 2017	August 8, 2020
Qualifications	Mr. Chandrasekaran holds a bachelor's degree in Applied Science. He also holds a master's degree in Computer Applications from Regional Engineering College, Trichy, Tamil Nadu, India.	Mr. Balaji is a graduate of the Indian Institute of Technology, Chennai, and has a post-graduate management degree from the Indian Institute of Management, Kolkata.
Profile, Experience and Expertise in specific functional areas	Mr. Chandrasekaran is Chairman of the Board at Tata Sons Private Limited, which he joined as a Director in October 2016 and was appointed Chairman in January 2017. He also chairs the Boards of several group operating companies, including Tata Consumer Products, Tata Steel, Tata Motors, Tata Power, Tata Chemicals, Indian Hotels and Tata Consultancy Services (TCS) – of which he was Chief Executive from 2009-17. In addition to his professional career at Tata, he is a Director on the Board of India's central bank, Reserve Bank of India, since 2016. He is also on the International Advisory Council of Singapore's Economic Development Board, the Chairman of Indian Institute of Management Lucknow, the President of the Court at Indian Institute of Science, Bengaluru, the Co-Chair of the India US CEO Forum and on the Board of Governors of New York Academy of Sciences. He has been awarded several honorary doctorates by leading Universities in India and internationally.	Mr. Balaji is the Group Chief Financial Officer of Tata Motors Limited since November 2017 and serves on the Board of several group Companies of Tata Motors Limited. He is a global finance professional with over two decades of experience in the corporate sector. Prior to joining Tata Motors, Mr. Balaji was the Executive Director- Finance & IT and Chief Financial Officer of Hindustan Unilever Limited (HUL). He was the Vice President, Finance, for Unilever America's Supply Chain, based out of Switzerland and the Group Chief Accountant of Unilever worldwide, London. Mr. Balaji was the Vice President, Finance, for the Home and Personal Care business in India and earlier Vice President, Treasury for the AAR (APAC, Africa, Middle East, Turkey, and Russia) region based out of Singapore.
Directorships held in other companies (excluding foreign companies)	1) Tata Chemicals Limited 2) Tata Consultancy Services Limited 3) Tata Motors Limited 4) Tata Steel Limited 5) The Indian Hotels Company Limited 6) The Tata Power Company Limited 7) Tata Sons Private Limited 8) TCS Foundation	1) Tata Motors Finance Limited 2) Tata Motors Finance Solutions Limited 3) TMF Holdings Limited 4) Tata Technologies Limited

Name of Director	Mr. N. Chandrasekaran	Mr. P. B. Balaji
Memberships / Chairmanships of committees of other companies (excluding foreign companies)	**Member of Nomination and Remuneration Committee of :** 1) Tata Chemicals Limited 2) Tata Consultancy Services Limited 3) Tata Motors Limited 4) Tata Sons Private Limited 5) Tata Steel Limited 6) The Indian Hotels Company Limited 7) The Tata Power Company Limited **Chairman of Corporate Social Responsibility Committee of:** 1) Tata Consultancy Services Limited 2) Tata Sons Private Limited **Chairman of Executive Committee of the Board of:** 1) Tata Consultancy Services Limited 2) Tata Steel Limited 3) The Tata Power Company Limited	**Member of Audit Committee of:** 1) Tata Motors Finance Limited 2) Tata Motors Finance Solutions Limited 3) Tata Technologies Limited 4) TMF Holdings Limited **Member of Nomination and Remuneration Committee of:** 1) Tata Motors Finance Limited 2) Tata Motors Finance Solutions Limited 3) TMF Holdings Limited **Member of Risk Management Committee of:** 1) Tata Motors Finance Limited 2) Tata Motors Finance Solutions Limited 3) TMF Holdings Limited **Chairman of Corporate Social Responsibility Committee of:** Tata Technologies Limited **Member of Asset Liability Management Committee of:** 1) Tata Motors Finance Limited 2) Tata Motors Finance Solutions Limited 3) TMF Holdings Limited **Member of IT Strategy Committee of:** 1) Tata Motors Finance Limited 2) Tata Motors Finance Solutions Limited
Inter-se relationship with other Directors and Key Managerial Personnel	Nil	Nil
Shareholding in the Company	1,00,000 equity shares of the Company in his own name	285 equity shares of the Company in his own name
Terms and Conditions of appointment / re-appointment	Re-appointment in terms of Section 152(6) of the Companies Act, 2013	Appointment as a Non-Executive (Non-Independent) Director
Details of Remuneration sought to be paid	Sitting Fees as approved by the Board from time to time	Sitting Fees as approved by the Board from time to time

Note: For other details such as number of meetings of the Board attended during FY 2020-21 and remuneration paid to Mr. N. Chandrasekaran and Mr. P. B. Balaji in FY 2020-21, please refer to the Corporate Governance Report which is a part of this Annual Report.

Notes

Corporate information

BOARD OF DIRECTORS

Non-Executive (Non-Independent) Directors
N. Chandrasekaran (Chairman)
P. B. Balaji (w.e.f. August 8, 2020)
Harish Bhat (upto August 7, 2020)

Independent Directors
S. Santhanakrishnan
Siraj Chaudhry
Bharat Puri
Shikha Sharma

Executive Directors
Sunil D'Souza, MD & CEO
L. Krishnakumar, ED & Group CFO

Company Secretary
Neelabja Chakrabarty
(Senior Vice President and Company Secretary)

BOARD COMMITTEES*

Audit Committee
S. Santhanakrishnan (Chairman)
Siraj Chaudhry
Bharat Puri
Shikha Sharma
P. B. Balaji

Nomination and Remuneration Committee
Shikha Sharma (Chairperson)
N. Chandrasekaran
Bharat Puri
P. B. Balaji

Stakeholders Relationship Committee
S. Santhanakrishnan (Chairman)
Siraj Chaudhry
L. Krishnakumar

Corporate Social Responsibility Committee
Siraj Chaudhry (Chairman)
S. Santhanakrishnan
Shikha Sharma

Risk Management Committee
Bharat Puri (Chairman)
Shikha Sharma
Siraj Chaudhry

Executive Committee
Sunil D'Souza (Chairman)
L. Krishnakumar
Ajit Krishnakumar (Non-Board Member)

REGISTERED OFFICE

1, Bishop Lefroy Road,
Kolkata - 700 020

CORPORATE OFFICE

11/13, Botawala Building
1st Floor, Horniman Circle Fort
Mumbai - 400 001

For all investor-related queries, write to us at:
investor.relations@tataconsumer.com

AUDITORS

Deloitte Haskins & Sells LLP

REGISTRARS

TSR Darashaw Consultants Private Limited
(Unit: Tata Consumer Products Ltd.)
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083
Telephone: 022-66568484
Website: www.tcplindia.co.in
E-mail: csg-unit@tcplindia.co.in

RTA's Kolkata Office
C/o Link Intime India Private Limited
Vaishno Chamber, Flat No. 502 & 503,5th Floor, 6, Brabourne Road, Kolkata – 700001
Tel : +91-33-4008 1986
Email: tsrdlcal@tcplindia.co.in

BANKERS

HDFC Bank Limited
ICICI Bank Limited
Axis Bank Limited
Kotak Mahindra Bank Limited
Bank of Baroda Limited
Bank of America N.A.
Citibank N.A.
Coöperatieve Rabobank U.A.
Standard Chartered Bank
State Bank of India
HSBC Bank

SOLICITORS AND LEGAL ADVISORS

Anand and Anand
Khaitan & Co.
Cyril Amarchand Mangaldas
Shardul Amarchand Mangaldas
AZB & Partners
Dua Associates
Joseph & Kuriyan

*Committees position as on 31st March 2021

TATA

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

1, Bishop Lefroy Road, Kolkata 700020
www.tataconsumer.com

/Concept, content and design at AICL (hello@aicl.in)