TATA CONSUMER PRODUCTS

Integrated Annual Report 2022-23





Focused Execution.
For Better.

In Memoriam

Over his almost 50-year association with the erstwhile Tata Finlay, Tata Tea and Tata Global Beverages Limited (TGBL), R. K. Krishnakumar shaped the evolution of our Company from a plantations business to a leading player in the Indian and global tea industry. He was awarded the Padma Shri for contributions to Indian trade and industry in 2009 and retired as Vice Chairman of TGBL in July 2013.

Under his leadership, 'Tata Tea' became a household name in India. He led the acquisition of Tetley in 2000, India's first major cross-border acquisition, creating the second largest tea Company globally. R. K. Krishnakumar's dynamic tenure also saw the acquisition of other international brands including Eight O'Clock Coffee, and the Company's entry into the liquid beverages category with Himalayan mineral water. In 2012, he spearheaded a joint venture with Starbucks in India.

In addition to his enormous contributions in the corporate sphere, he will perhaps be best remembered for his commitment to the community at large and the welfare of those in need. He had an unwavering conviction that beyond profits, businesses also have a core responsibility to their employees and communities. He spurred the creation of welfare programmes in the tea and coffee plantations associated with the Company, pioneering services to benefit employees and their families. The High Range School and Srishti Trust in Munnar, among various currently operating organisations, stand testimony to his vision and his values.

We, at Tata Consumer Products, remember him with pride and gratitude. We remain committed to his legacy of ambition, execution, resilience and humanity.



R. K. KRISHNAKUMAR

(16 July 1938 – 1 January 2023)

Focused Execution. For Better.

At Tata Consumer, we understand that progress is not just about achieving numbers and metrics, but also about meeting the needs of our stakeholders and ensuring the well-being of our people. We are successfully translating our aspirations into outcomes, based on a clear road map and focused execution. Over the past year, we have made consistent progress in our growth journey and achieved significant milestones.

Whether it is our double-digit revenue growth or the expansion of our total addressable market, accelerated digitalisation, and health and wellness focused innovations, we've continuously pushed the envelope of our growth story. Driven by our For Better philosophy, we executed against our strategy and delivered on our commitment to progress our transformation as one of the leaders in the FMCG space.

Key highlights FY 22-23



11% (10%*)
Revenue growth (consolidated)

7%
EBITDA growth (consolidated)

30%
Group Net Profit growth

* Constant currency growth

Ways we are driving growth



Tata Soulfull – Taste first, health forward

Read more on **page 68**



Unleashing the potential of NourishCo

Read more on **page 72**



Entry into protein platform – Tata Simply Better and Tata GoFit

Read more on **page 77**



Tata Starbucks – Scaling up post COVID

Read more on **page 79**

About the report

REPORTING APPROACH

The sixth integrated report of Tata Consumer Products Limited, prepared in accordance with the International Integrated Reporting <IR> framework of the IFRS Foundation, reflects our integrated thinking and approach to value creation. The report has been published to provide a holistic view of our strategy, governance, and performance, and how they work in tandem to create value for our stakeholders over the short, medium, and long-term.

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.

SCOPE AND BOUNDARY

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

LEADERSHIP ACCOUNTABILITY

Our Company's senior management, under the Managing Director's supervision, has reviewed the report content. The Board has provided the required governance oversight.

Read the full report online at
tataconsumer.com/iar-2022-23/

Read about our ESG efforts in
Sustainability section on Page 90

ESG disclosures are available in
BRSR* on Page 234



Introducing our capitals

FINANCIAL CAPITAL

Our financial capital drives investment, growth and expansion of the business.

INTELLECTUAL CAPITAL

Intellectual capital consists of our partnerships, acquisitions and R&D processes that have assisted us in enhancing scalability, meeting nutritional needs of consumers, and addressing new markets.

HUMAN CAPITAL

Human capital is instrumental in building a purpose-driven organisation. Promoting our 'Better Living' ethos is our inclusive, diverse, and high-trust and high-performance culture.

SOCIAL AND RELATIONSHIP CAPITAL

Our social and relationship capital is aimed at creating a shared sense of respect, ethical behaviour and mutual trust.

NATURAL CAPITAL

Our aim through initiatives for natural capital is to minimise the impact of our business on natural resources and create a positive impact with technology and responsible resource management.

MANUFACTURED CAPITAL

Manufactured capital is significant to our business and enables the production, processing and delivery of safe and healthy products for our consumers.

*Business Responsibility and Sustainability Report

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OUR INDIA GROWTH BUSINESSES



Tata Sampann



NourishCo



Tata Soulfull



Tata Smartfoodz (RTE/RTC Business)

Chairman's Letter

Towards a better future

Dear Shareholders,

It is my privilege to present the Integrated Annual Report of Tata Consumer Products for FY 22-23.

I am pleased to report that your Company has made steady progress during the year and is on track in its transformation journey to becoming a leading FMCG player. Despite the continued challenges in the post-pandemic world emanating from a highly volatile macro environment and geopolitical unrest, the Company has delivered a well-rounded performance across key metrics with double digit revenue growth and a strong EPS growth of 28% in FY 22-23.

Importantly, your Company has taken significant steps towards becoming growth oriented and building strong organisational capabilities. During the year, substantial progress has been made in strengthening the core businesses and expanding the total addressable market.

In September 2020 your Company had committed to doubling its numeric reach to 4 million outlets in three years and it is on track to achieve that. The Company has continued to invest in the future growth engines of its portfolio, and this has started delivering results, with the growth businesses recording 53% growth and increasing their salience significantly. In parallel, your Company is driving digital transformation across its business to streamline operations and increase efficiency and effectiveness. It has invested in building a 'fit for future' R&D capability and accelerated the pace of innovation, launching 2X the number of new products versus last year and entering several new categories.

There has been continued focus on streamlining and simplifying the business. My letter last year to you had outlined the plan to merge Tata Coffee's business into Tata Consumer Products to drive revenue synergies and operational efficiencies, in addition to simplifying legal structures and driving cash efficiencies.

> "The Company has continued to invest in the future growth engines of its portfolio, and this has started delivering results, with the growth businesses recording 53% growth and increasing their salience significantly.

The process is well on track for completion in 2023. Also, as part of a larger strategic exercise, your Company has undertaken structural changes to infuse new talent and bring down cost structures in its International Business.

The Company recognises that building a diverse and inclusive workplace is fundamental to achieving long-term business goals. Throughout the year, it has implemented a range of initiatives to strengthen the organisation's talent pipeline through a combination of external recruitment and internal development programmes. Your Company has also focused on employee well-being and recognition and fostering an inclusive culture. It believes that these efforts will not only make the organisation future-ready but also create an engaged and progressive workforce.

The Tata Group is committed to building sustainable businesses. The Group initiative, Aalingana outlines the Tata Group's approach to planet resilience, the Group's aspiration of net zero by 2045 and the vision of securing the future by innovating today. It commits to embedding sustainability into business strategy by focusing on three interconnected pillars: driving the decarbonisation of our businesses and value chain; applying a systemic, circular economy approach to reduce resource use and waste; and preserving and restoring the natural environment.

As part of this initiative, Tata Consumer has announced its commitment to sustainability targets which include achieving net zero status, water neutrality, promoting a circular economy of plastics, advancing diversity in workforce, producing sustainable products, and implementing sustainable sourcing practices. Your Company believes that these commitments will help achieve its long-term goals and create a more sustainable future for all.

As we move forward, Tata Consumer Products will remain steadfast in executing against its strategy with a sharp focus on growth. Your Company is committed to strengthening its core businesses, accelerating innovation, and unlocking efficiencies while exploring new opportunities both organic and inorganic, and building for the future.

I am grateful for your unwavering support and the dedication of our employees, both of which have been instrumental in the steady progress the Company has made thus far. We value your partnership and look forward to reaching new heights together on this journey.

Warm Regards,

N. Chandrasekaran
Chairman



CORPORATE OVERVIEW

Focused on ‘For Better’

At Tata Consumer, we are committed to pushing boundaries and aiming for better everyday for all our stakeholders. Our extensive range of food and beverage products is carefully crafted to delight consumers.



Tata Consumer and its purpose

Read more on **see page 06**

Value creation model

Read more on **see page 08**

Business segments

Read more on **see page 12**

F&B platforms

Read more on **see page 13**

Brand highlights

Read more on **see page 14**

Presence

Read more on **see page 22**

Stakeholder engagement and materiality

Read more on **see page 24**

Tata Consumer and its purpose

Towards becoming a full-fledged FMCG company

Tata Consumer Products unites the principal food and beverage interests of the Tata Group under one umbrella. We are making consistent progress in our transformation journey to becoming a leading FMCG Company.

OUR VISION

To build better lives and thriving communities

OUR MISSION

Passionately growing and innovating every day

OUR VALUES

Empathy | Agility | Ownership
Integrity | Excellence



Our Brands

We have a diverse portfolio of brands spanning food and beverages. Our brands embody our purpose of For Better through the value they deliver to consumers. We have strengthened and expanded our brand portfolio with a focus on innovation, health and wellness, convenience and premiumisation. Our product range includes tea, coffee, salt, pulses, spices, dry fruits, water, Ready-to-drink (RTD), Ready-to-cook (RTC) and Ready-to-eat (RTE) options, breakfast cereals, snacks, and mini meals.



Our Impact

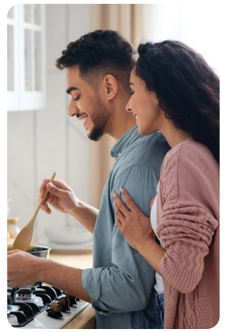
12.5+ lakhs CSR beneficiaries



Integrated F&B Company with rich heritage of Tata, aspiring for a larger share of the FMCG World

Brand presence across 40 countries

#2 branded tea player globally



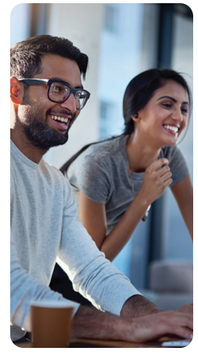






3,900+ workforce across the globe

Reach of 200+ Mn households in India and distribute to 3.8 Mn retail outlets



Among the top 10 FMCG companies in India



Value Creation Model

Creating value for all

Implementing our purpose

WE ARE GUIDED BY OUR VALUES TO FULFIL OUR MISSION

Our sights are set on playing an increasingly more significant role in the consumer products market. We are committed to building better lives and thriving communities and helping create a better world for everyone.

Read more on page 06

1

ACROSS OUR BUSINESS UNITS



Tea



Coffee



Packaged Food



Liquid Beverages

Read more on page 12

2

TO ACHIEVE OUR BUSINESS GOALS, WE HAVE SIX STRATEGIC PRIORITIES



Strengthen and accelerate core business



Drive digital and innovation



Unlock synergies



Explore new opportunities



Create a future-ready organisation



Embed sustainability

Our business strategy aims to deliver on our ambitions and provide sustainable returns and value to our stakeholders.

Read more on page 46

3

CREATING A LASTING POSITIVE IMPACT ON OUR STAKEHOLDERS



Consumers



People



Communities



Government and regulatory authorities



Investors



Value chain partners



Environment and ecosystem

Read more on page 24 and 90

4

Underpinned by our strengths

PURPOSE-DRIVEN ORGANISATION

We are a future-ready, purpose-led organisation, with people as our strength. Hence, we focus on their progress, creating a safe and equitable workspace in our journey 'For Better'.

3,900+
Global Branded Workforce strength

15,703 hours
Invested in Trainings

1,200+
Women in workforce

OPERATIONAL EXCELLENCE

Our strategically located manufacturing and packaging facilities and a centralised product supply organisation help deliver high-quality products to our consumers.

119
Locations worldwide (including manufacturing units, corporate offices and dedicated third party units)

3
World-class R&D facilities to drive product innovation

CONSUMER CENTRICITY

High quality products that cater to consumer needs are our value proposition to our consumers. Higher levels of consumer awareness and demand have led to newer ways of staying connected.

- Market leadership in salt and tea in most markets where we operate.
- Inputs from consumer surveys on preferred product attributes (e.g. flavour)

STRATEGIC PARTNERSHIPS

We are transforming our supply chain to better serve our customers efficiently in a competitive market. Having pioneered sustainable tea and coffee sourcing via partnerships, we are committed to replicating it for the other parts of our product portfolio.

~1.5 million
Directly serviced outlets

11,000+
Distribution partners (including retailers and D2C)

INNOVATION AND DIGITALISATION

Leveraging our digital and R&D capabilities, our portfolio of great-tasting products is designed to cater to evolving consumer needs. This year, we focused on integrating digital capabilities across business units and partner ecosystems.

- Dedicated R&D team of **35 Professionals**
- R&D expenditure of **INR 36.35 crores in FY 22-23**
- Digital tools across the value chain

SUSTAINABILITY FOCUS

We rely on nature for material (agricultural products) and process (water, energy etc.) inputs for our business process viz., sourcing, processing, packaging, and distribution. We try to ensure that our environmental footprint is minimal and reversible.

- **1,08,000+ TJ** Energy
- **3,03,272 KL** Water
- **7,000+ tonnes** of recycled material in packaging

FINANCIAL PRUDENCE

Optimal capital allocation to drive organic and inorganic growth.

- Revenue from operations: **INR 13,783 crores**
- Source of funds
  - Debt: **INR 1,183 crores**
  - Equity: **INR 17,127 crores**
- Capex: **INR 312 crores**
- Operating Working Capital: **INR 1,450 crores**

GOVERNANCE AND RISK MANAGEMENT

Uphold the highest levels of corporate governance ensuring streamlined business operations. Our robust risk management framework enables us to identify, address and mitigate the existing and emerging risks that are posed to our business.

Value Creation Model

Across our business value chain

CONSUMER BEHAVIOUR AND TRENDS
Consumer connects, social listening, and understanding behavioural changes facilitates building purposeful brands

INNOVATION
By leveraging consumer insights, we continue to address untapped and emerging consumer needs through our product and category innovations

SOURCING
Sustainable sourcing is an integral part of our strategy; Transformation of our supply chain is helping us create a more efficient, cost-effective and sustainable footprint

MANUFACTURING AND PACKAGING
We are integrating operations and leveraging technology in our manufacturing processes and on packaging circularity

DISTRIBUTION
Our distribution networks work efficiently to take our products to millions of households

MARKETING AND SELLING
Transparency and responsible marketing have helped us enjoy high levels of consumer trust

Supported by our ESG strategy and commitments

FOR BETTER SOURCING
Dedicated to ensuring that our products are produced in an economically, environmentally, and socially just manner.

Vision

Sustainable value chains from farm to shelf.

Targets

100%
Critical supplier assessments across all geographies by 2030

100%
Sustainably sourced critical raw materials by 2040

FOR A BETTER PLANET
Committed to sustainable utilisation of major natural resources, such as land, water, air, and wild flora and fauna.

Vision

Clean energy, water replenishment, preservation of biodiversity, and circular economy.

Targets

Net Zero
By 2040 across all geographies

Zero waste
To landfill by 2030 across all geographies

Water neutral
Across all operations by 2030

100%
Of packaging material to be recyclable, compostable, or reusable across all geographies by 2030

FOR BETTER COMMUNITIES
Belief in the Tata Group philosophy of giving back to the community and acknowledging the role played by communities in business growth.

Vision

Enhance the quality of life, creating shared value for our communities. Foster an equitable, inclusive, and safe culture.

Targets

2 Mn
Beneficiaries by 2030

50%
Diverse workforce across all geographies by 2030

FOR BETTER NUTRITION
Portfolio of great-tasting products that are designed to enhance health and well-being.

Vision

Improved access to healthy, natural, and safe food for our consumers.

Targets

250 Mn
Households in India to be reached through our product portfolio by 2030

100%
Sustainable products* by volume by 2040

Across our six capitals and our universe of material issues

Capitals

- Financial
- Intellectual
- Human
- Social and Relationship
- Natural
- Manufactured

Material Issues

- Access to nutrition
- Consumer Connect
- Human Rights
- Responsible Marketing
- Value Chain Management
- Community Engagement
- Product Stewardship
- Innovation & Technology
- Circular Economy
- Responsible Sourcing
- Driving Net Zero
- Preserving Nature & Biodiversity
- Corporate Governance
- Equitability
- Employee wellness, Engagement and Health & Safety
- Training and Education

Creating value for our stakeholders



CONSUMER
- 200+ Mn households reach in India
- 24% of new innovations focused on Health and Wellness
- 34 new products launched in India and other geographies
- 8 new products with additional nutritional attributes
- Direct outlet reach of 1.5 million retail outlets and total reach of 3.8 million outlets



PEOPLE
- 1,200+ women in workforce
- 31% of the open positions filled by Internal transfers
- 95% talent retention (global graded population)
- Diversity, Inclusion, Equity, Belonging DIEB - 77, Engagement Score - 73
- Zero fatalities across manufacturing facilities



COMMUNITIES
- 12.5 lakhs beneficiaries positively impacted through our 10 CSR programmes
- Collaborations and partnerships with Ethical Tea Partnership (ETP), trustea, India Plastics Pact, UK and EU Plastic Pacts



GOVERNMENT AND REGULATORY AUTHORITIES
- Setting industry benchmarks and promoting the sustainability agenda
- Transparency in financial reporting and tax matters; FY 22-23 INR 389 crores in direct taxes



INVESTORS
- Making progress on ESG via our ESG strategy and through specific commitments on all parameters
- Robust financial returns; FY 22-23 INR 558 crores distributed as dividends, up 40%. EPS up 28%



VALUE CHAIN PARTNERS
- 25% Growth in alternate channels
- Mutually beneficial partnerships that help realise efficiencies
- >2X the number of channel partners (distributors) from FY 20-21 to FY 22-23
- 55% of Tata Tea sustainably sourced



ENVIRONMENT AND ECOSYSTEM
- 100% compliance with EPR
- Support RE installations in supply chain - 19% renewable energy share.
- Steady progress towards water neutrality

Our diverse offerings

Tata Consumer's business segments



Branded Business

INDIA BUSINESS

Packaged Beverages

- Tea
- Coffee

Foods / Packaged Foods

- Salt
- Pantry staples (Tata Sampann)
- Breakfast cereals, snacks (Tata Soulfull)
- RTE/RTC (Tata Sampann Yumside)
- Other (Protein - Tata Simply Better, Tata GoFit)

Liquid Beverages / Ready-to-drink (NourishCo)

INTERNATIONAL BUSINESS

UK | USA | Canada | Others

Non-branded Business

TATA COFFEE INDIA

TATA COFFEE VIETNAM

TATA TEA EXTRACTIONS INC.

Joint Ventures and Associates

TATA STARBUCKS (50:50 JV)

AMALGAMATED PLANTATIONS PRIVATE LIMITED (APPL)

KANAN DEVAN HILLS PLANTATIONS COMPANY PRIVATE LIMITED (KDHP)

India Growth businesses

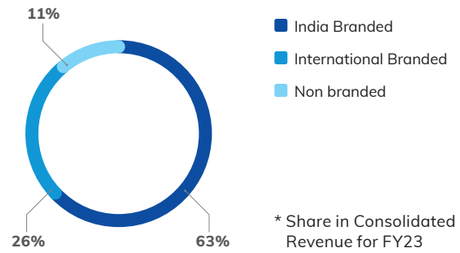
TATA SAMPANN

NOURISHCO

TATA SOULFULL

TATA SMARTFOODZ (RTE/RTC BUSINESS)

SHARE IN CONSOLIDATED REVENUE*



* Share in Consolidated Revenue for FY23

Tata Consumer's F&B platforms

Current core







Brands

TATA TEA | Tetley | GOOD EARTH | teapigs. | Laager | vitax | EIGHT O'CLOCK | TATA COFFEE GRAND | Sonnets BY TATA COFFEE | TATA COFFEE GOLD | TATA Salt | TATA Coffee Cafe Specials | TATA COLD COFFEE

Pantry platform





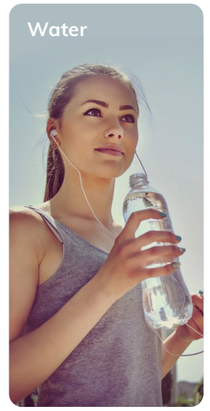


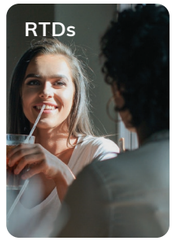


Brands

TATA sampann | TATA sampann Yumside | TATA raasa - aromas of India -

Liquids platform





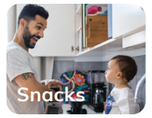
Brands

Himalayan | TATA COPPER | TATA GLUCO | TATA Fruski

Mini-meals platform







Brands

TATA Yumside | TATA SOULFULL

Horizon 3



RTD - Ready to drink | RTE - Ready to eat | RTC - Ready to cook

Brand Highlights

Creating differentiated experiences

TATA TEA | TATA TEA



GOLD

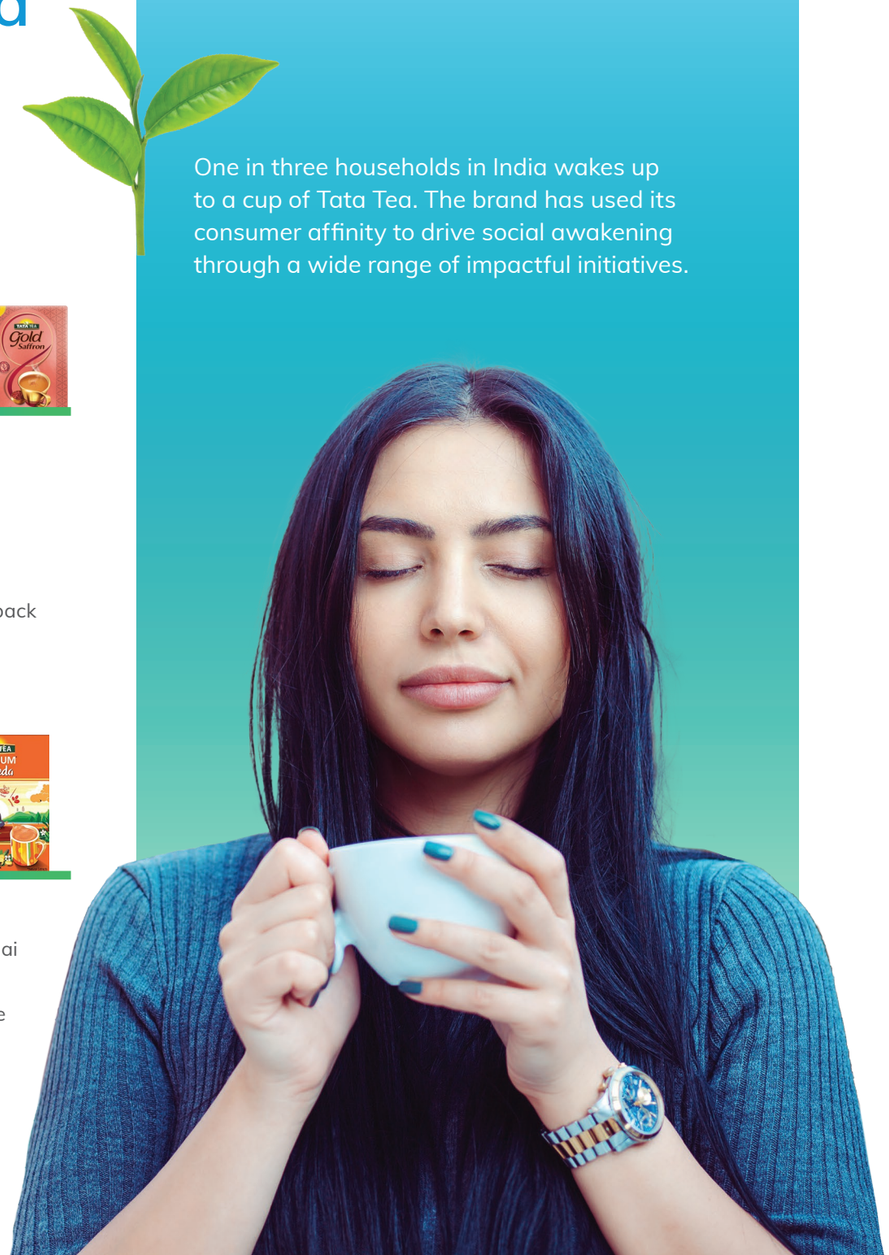
- Launched Tata Tea Gold Saffron, our signature Assam tea with natural saffron flavour.
- Restaged Tata Tea Gold Darjeeling.
- Introduced Durga Puja Festive Edition pack series celebrating the various art forms of West Bengal.



PREMIUM

- Launched TATA Tea Premium Street Chai Range with four unique variants.
- Restaged TeaVeda bringing it under the Tata Tea Premium Masterbrand.

One in three households in India wakes up to a cup of Tata Tea. The brand has used its consumer affinity to drive social awakening through a wide range of impactful initiatives.





AGNI

Masterbrand architecture consolidation completed for a sharper positioning.



CHAKRA GOLD

Celebrated Deepavali in Tamil Nadu with the launch of a limited-edition festive pack.



LEAF

Celebrated the festival of Chhath with four special packs backed by a 360 degree campaign in Bihar and Jharkhand.



LAL GHODA AND KALA GHODA

Restaged the brand with new pack graphics as well as a new TVC celebrating Rajasthani hospitality.



KANAN DEVAN

Recorded its highest-ever volume in Kerala led by on-ground activities during Onam.



Brand Highlights

TETLEY |



Tetley is the second largest tea brand globally, and has made its place in the hearts of consumers — improving their tea-drinking experience, for better.

INDIA

- Launched Tetley Green Tea Immune Tulsi
- Relaunched the Tetley Naturally Sweet variant in mango flavour that addresses the biggest barrier in the green tea category - the bitter taste.



USA

- Tetley established as the second largest US packaged tea brand within the mainstream black hot tea segment, led by British Blend and Classic.
- Distribution gains on Classic Decaf and Irish Breakfast at key grocery accounts contributed to share growth.



CANADA

- Launched a range of teas under Tetley Live Teas featuring three variants – Live Cool (Peppermint spearmint), Live Bold (Cinnamon chai rooibos), and Live Calm (Chamomile, spearmint, orange).
- Launched Tetley D2C website.
- Tetley was voted ‘Most Trusted Brand of Tea’ for nine years in a row.
- Introduced two large format extensions based on popular flavour profiles; Tetley Chai and Decaf Earl Grey.



WESTERN EUROPE

- In France, Tetley was given a fresh new look with taste, provenance and environment taking centre stage. The refresh includes new string and tag bags, replacing drawstring teabags, new pack designs and new recyclable cartons.
- In Switzerland, a new portfolio of six products was developed and launched, doubling Tetley’s shelf presence at a key retailer.
- In Portugal, a new variety pack was introduced for HORECA, and two new Hibiscus flavours introduced. Sustainability credentials were enhanced with a switch to paper envelopes.



UK

- Tetley is the third largest brand in mainstream black hot tea category.
- Tetley Irish Breakfast gained incremental distribution at key accounts.



AUSTRALIA

- Brand refresh of Tetley, ‘Tetley is the new black’, done to reposition it as an aspirational tea for the younger audience.
- Launched Tetley ‘Spill The Tea’ campaign celebrating meaningful connections.















Brand Highlights

OTHER TEA BRANDS (INTERNATIONAL MARKETS) | teapigs. GOOD EARTH vitax



As the #2 branded tea Company in the world, our decades of experience and expertise deliver the perfect brew in every cup!



TEAPIGS

- Fastest growing speciality tea brand in the US.
- Teapigs Cold brew launched in the summer at key accounts in the US.
- Launched in Australia through e-Commerce and OOH.



GOOD EARTH

Celebrated its 50th anniversary with a PR campaign in the US.





VITAX

Vitax Inspirations range was given a new look, with enhanced sustainability credentials to be plastic free. New paper outer cases were introduced to replace the previous foil pack outers.

COFFEE | EIGHT O'CLOCK TATA COFFEE GRAND Sonnets BY TATA COFFEE TATA COFFEE QUICK FILTER TATA COFFEE GOLD TATA COFFEE COLD COFFEE TATA COFFEE Cafe Specials

From whole bean to gourmet, K-cup pods to instant, we are committed to supplying quality coffee to every coffee lover!





EIGHT O' CLOCK (USA)

- New packaging launched.
- Launched 'Rooted in Responsibility' campaign to support Women-Owned Coffeehouses.
- K-cups continued to see momentum, growing faster than bags.



TATA COFFEE GOLD

Premium 100% freeze dried coffee launched.



SONNETS BY TATA COFFEE

New season range with revised nomenclature and tag architecture introduced.



TATA COFFEE GRAND

- Launched premium instant coffee 'Tata Coffee Grand Premium' a 100% coffee blend with flavour-locked decoction crystals for non-South markets.
- Tata Coffee Grand pack restaged to Tata Coffee Grand 'Classic'.



TATA COFFEE COLD COFFEE LIQUID CONCENTRATE

Introduced a first-of-its-kind liquid coffee concentrate range, designed to make rich and creamy café-style cold coffee at home.



TATA COFFEE CAFE SPECIALS

New offering to upgrade the in-home coffee consumption experience to a café style hot coffee.

Brand Highlights

FOODS



TATA SALT

- Launched Tata Salt Immuno, a category-first innovation in iodised salt with added zinc.
- Expanded the premium salt range with the introduction of Pink Salt with natural minerals.
- Introduced Salt+ Vitamin Shakti fortified with Vitamin D+ Calcium.
- Introduced Tata Salt Iron Health- salt fortified with iron.
- Introduced Shuddh by Tata salt - a solar salt variant in South markets to address the mid-tier salt segment.



TATA SOULFULL

- Expanded snacking portfolio with the launch of Tata Soulfull Masala Oats+, a 'better for you' offering with 25% millets.
- Launched Tata Soulfull Ragi Bites Fills.
- Introduced a new enhanced Tata Soulfull millets muesli with 25% millets.
- Continued to drive No Maida Choco snacking portfolio across GT channel.



Packed with high quality, taste and nutrition, our foods portfolio delivers wholesome goodness.



TATA SAMPANN

- Launched clutter breaking packaging for blended spices.
- Expanded spices range into high-value spices with the launch of Asafoetida (Hing).
- Launched Tata Sampann Chef Style Masala in Mummy Special, Tandoori and Peri Peri styles.
- Entered South market for spices with a range of specially curated for South Indian palate.
- Continued to drive momentum for Tata Sampann Dry Fruits with special assorted festive packs.



TATA SAMPANN YUMSIDE

- Launched new and larger range of Ready-to-Eat and Ready-to-Cook offerings.
- New branding unveiled to integrate with Tata Sampann brand and convey the promise of taste and homestyle goodness.
- Entered B2B segment with bulk packs.



TATA SIMPLY BETTER

Entered the alternate meat segment with the launch of Tata Simply Better Plant Based Meat (PBM) range.



TATA GOFIT

Launched Tata GoFit plant protein powder, a health supplement range for women.



HIMALAYAN HONEY & PRESERVES

Leveraging the provenance platform, the Himalayan brand entered the Honey & Preserves category with a range of premium products sourced from the Himalayas.



TATA RAASA

- 'Tata Raasa' marks the entry of Tata Consumer into the fast-growing Indian Ready Foods segment in the International Markets.
- Inspired by traditional regional recipes from across India, Tata Raasa spans the Ethnic Ready-To-Eat and Ready-To-Cook categories, delivering authentic taste with no artificial colours or flavours, specially tailored for local preferences in USA and UK.

LIQUID BEVERAGES



HIMALAYAN

- Celebrated 'Himalayan Day' by partnering with Ladakh marathon for the world's highest Ultra Marathon 'Himalayan Khardung La Challenge 2022'.
- Further enhanced Go to Market (GTM) and the brand became profitable for the first time since its inception.



TATA GLUCO+

- National brand rollout completed with refreshed brand tonality.
- Portfolio strengthened with new Cola flavour.



TATA FRUSKI

Launched one of a kind juice and jelly drink in a range of locally inspired flavours.



We bring you a range of hydration solutions ranging from pristine natural mineral water from the foothills of the Himalayas, to a wide variety of on-the-go beverages.



TATA COPPER+

Continued strong growth trajectory. Recorded positive response and growth across markets.

Presence

Our global footprint

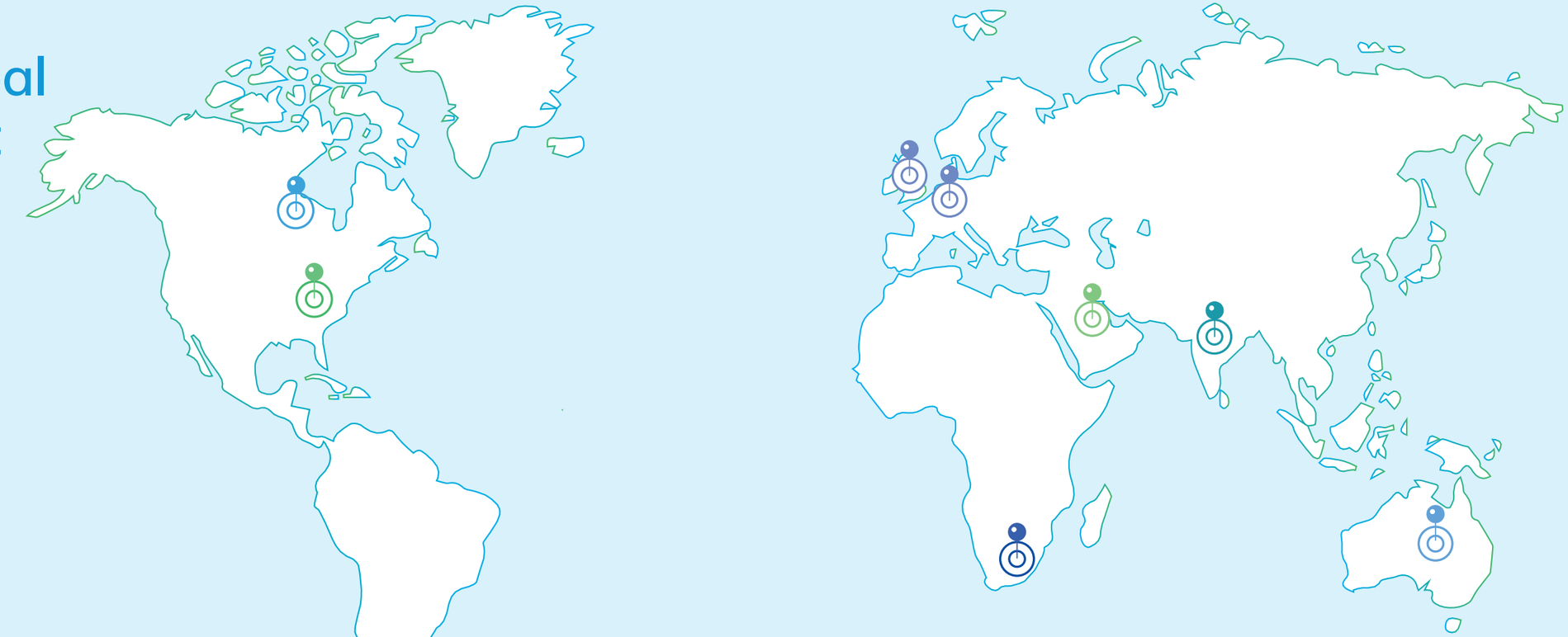
Workforce by region*

3,314
India

145
USA

427
UK

44
Other regions



Map not to scale

CANADA

3.3%

Tea
Tetley
teapigs
Tata Tea

Foods
Tata Raasa
Tata Salt
Tata Sampann

USA

13.8%

Tea
Tetley
Good Earth
teapigs
Tata Tea

Coffee
Eight O'Clock

Foods
Tata Salt
Tata Sampann
Tata Raasa

UK AND EUROPE

10.4%

Tea
Tetley
teapigs
Good Earth
Vitax
Tata Tea

Foods
Tata Salt
Tata Sampann
Tata Raasa

MIDDLE EAST

0.4%

Tea
Tetley
Tata Tea

Foods
Tata Soulfull
Tata Salt
Tata Sampann

SOUTH AFRICA

0.3%

Tea
Tetley
Laager

INDIA

70.8%

Tea
Tata Tea
Tetley
1868 by Tata Tea

Coffee
Tata Coffee Grand
Tata Coffee Gold
Tata Coffee Quick Filter
Sonnets by Tata Coffee

Foods
Tata Salt
Tata Sampann
Tata Sampann Yumside
Tata Soulfull
Himalayan honey
and preserves

Liquid Beverages
Himalayan water
Tata Copper+
Tata Gluco+
Tata Fruski

Out-of-Home
Tata Starbucks

AUSTRALIA

0.9%

Tea
Tetley
teapigs
Tata Tea

Foods
Tata Salt
Tata Sampann

Geography / Contribution*

* This doesn't include non-branded business

Stakeholders in focus and topics of priority

CONSUMERS
Meeting evolving consumer needs, delivering quality products and expanding our consumer base are key to our success and growth.

PEOPLE
Our people, their ideas and their passion form the collective force driving our Company's forward trajectory. Their dedicated approach and winning mindset bring our ambitions to life.

COMMUNITIES
Well engaged communities who become partners in the growth story is integral to a business's success. For us shared prosperity is paramount, and we make sustained efforts in creating resilient communities.

GOVERNMENT AND REGULATORY AUTHORITIES
As a responsible corporate citizen, a symbiotic relationship with the government can go a long way in bringing good change in the larger community.

INVESTORS
The support of our shareholders act as an enabler to continuous access to capital, ability to make progress on our strategies and reach our objectives.

VALUE CHAIN PARTNERS
Maintaining our relationships with suppliers of raw materials and indirect services and logistic partners is key to uninterrupted operations and delivery to our discerning consumers.

ENVIRONMENT AND ECOSYSTEM
Being mindful of our surroundings and the environment, we always strive to minimise the impact of our business on natural resources and practice responsible resource management.

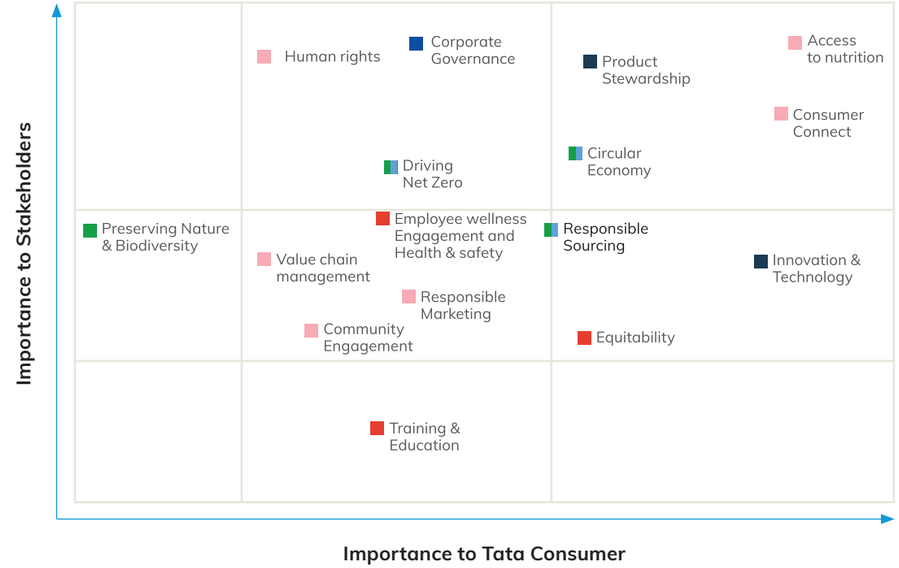
For more details on how we engage with our stakeholders, read more on **page 94, 102, 110 & 118**

Materiality assessment and stakeholder discussions

Materiality assessment plays an important role in shaping an organisation's sustainability priorities. A detailed materiality assessment study was conducted by us in FY 21-22, drawing guidance from national and international standards, including the Sustainability Accounting Standards Board (SASB), leading Environment, Social, Governance (ESG) assessment platforms and National Guidelines on Responsible Business Conduct (NGRBC – on which the BRSR is based).

At Tata Consumer, creating sustainable value for all our stakeholders is a priority; to this end, we have ensured that views of varied stakeholder Groups are taken on-board while we determine issues that are material to us. A host of ESG issues (i.e. 'universe of issues'), their potential impacts, risks and opportunities for Tata Consumer's business, and stakeholder views on the importance of each such issue were considered for arriving at our materiality matrix presented below.

MATERIALITY MATRIX



Capitals

Financial Capital | Intellectual Capital | Human Capital | Social and Relationship Capital | Natural and Manufactured Capital

As our businesses continue to grow, we envisage that our ESG priorities may change with change in operations. We periodically review our ESG focus areas and initiatives to accommodate for any such change.

PERFORMANCE REVIEW

Focused on the long-term

In FY 22-23, Tata Consumer achieved consistent growth across a range of financial and non-financial metrics, keeping the commitment to deliver value for all stakeholders at the heart of everything we did. By enhancing our future readiness, focusing on digital transformation, and making steady progress on our sustainability initiatives, we adapted and thrived in a rapidly changing landscape and drove impactful change across our business segments.



Key performance review

Read more on **see page 28**

Three years of Tata Consumer

Read more on **see page 30**

Q&A with MD and CEO

Read more on **see page 32**

Market trends

Read more on **see page 38**

Business review

Read more on **see page 40**

Awards and recognition

Read more on **see page 44**

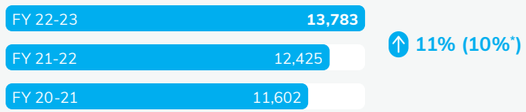
Key performance review

Measuring our progress

Financial

REVENUE FROM OPERATIONS

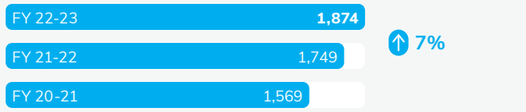
(INR Crores)



↑ 11% (10%*)

EBITDA

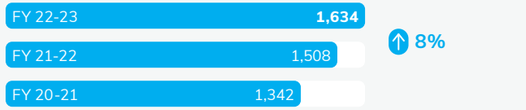
(INR Crores)



↑ 7%

PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS

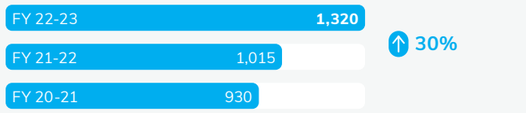
(INR Crores)



↑ 8%

GROUP NET PROFIT

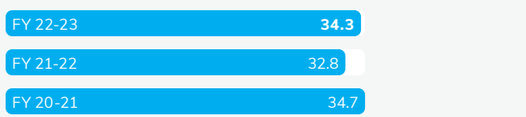
(INR Crores)



↑ 30%

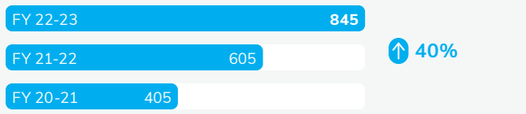
RETURN ON CAPITAL EMPLOYED (ROCE)#

(%)



DIVIDEND

(%)



↑ 40%

Segmental

INDIA BUSINESS

(INR Crores)



↑ 10%

INTERNATIONAL BUSINESS

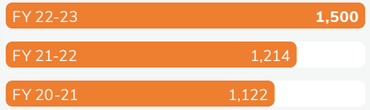
(INR Crores)



↑ 8% (6%*)

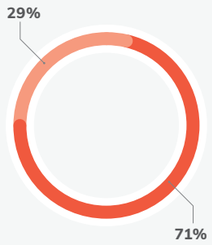
NON-BRANDED BUSINESS

(INR Crores)

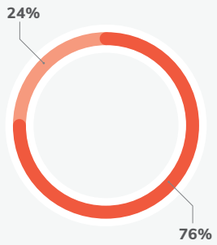


↑ 24% (21%*)

SEGMENT REVENUE – BRANDED BUSINESS IN FY 22-23



SEGMENT RESULTS – BRANDED BUSINESS IN FY 22-23



International Business | India Business

↑ increase % vs PY

* Constant currency growth | # Capital employed= Tangible Net Worth (includes non current investments) + Total Debt + Deferred Tax Liabilities

Environmental

GHG EMISSIONS SCOPE 1

($MT CO_2e$)



GHG EMISSIONS SCOPE 2

($MT CO_2e$)



100%

EPR compliance in India. All our Beverages production facilities globally are zero waste to landfill since 2019

314 Million litres

Of water recharged through Project Jalodari. It will contribute to same amount of recharge annually going forward

Founding member

Of the India Plastics Pact

Governance

56%
Independent Directors on Board

96%
Average Board meeting attendance

100%
Members of the Audit, Risk Management and CSR and Sustainability Committees are Independent Directors

4
Directors in the age group of 40-60 years

Proxy Advisory Firms recommended Vote in favour for all shareholder's resolutions proposed in FY 22-23

78%
Non-Executive Directors on Board

96%
Average Audit Committee attendance

65.59%
Non-promoter holding

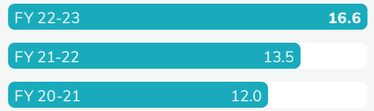
5
Directors in the age group of 60-65 years

99.80%
Average voting in favour on all shareholder's resolution passed in FY 22-23

Social

INVESTMENTS IN CSR PROGRAMMES

(INR Crores)



↑ 23%

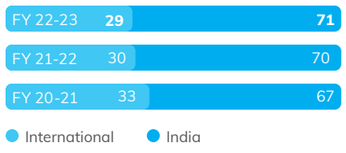
Three years of Tata Consumer

Simplify, Synergise, Scale

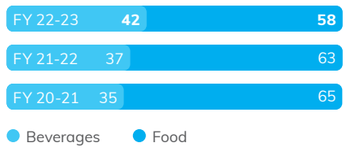


Delivering on strategic portfolio transformation

BRANDED BUSINESS (%)
India vs International

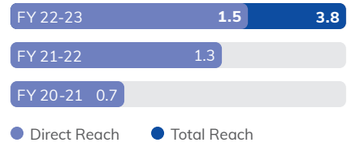


INDIA BUSINESS (%)
Beverages vs Food

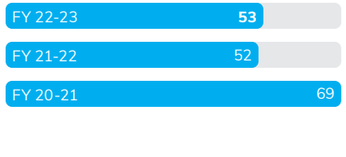


Focused execution

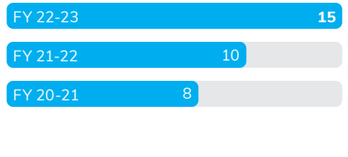
EXPANDING DIRECT AND TOTAL REACH (Mn outlets)



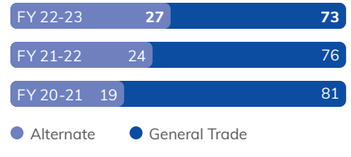
INDIA GROWTH BUSINESSES* (%)
Revenue growth rate



INDIA GROWTH BUSINESSES* (%)
Contribution to India Business



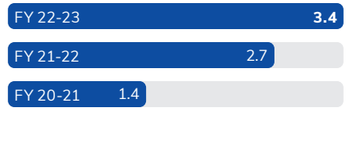
CHANNELS OF THE FUTURE (%)
Contribution to India Business



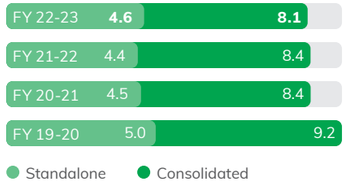
* India Growth businesses include Tata Sampann, NourishCo, Tata Soulfull, and Tata Smartfoodz (RTE/RTC Business).

Managing costs and unlocking efficiencies

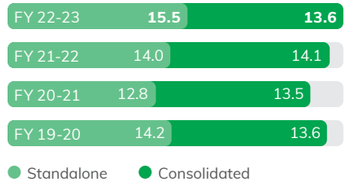
INDIA INNOVATION TO REVENUE (%)



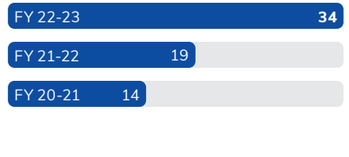
EMPLOYEE EXPENSE TO REVENUE (%)



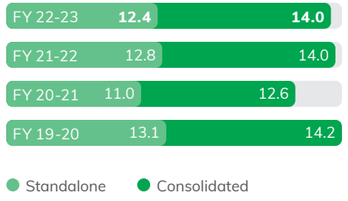
EBITDA MARGIN (%)



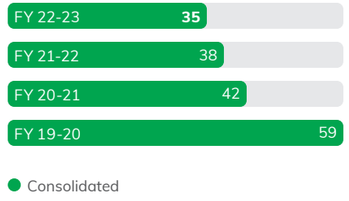
NUMBER OF NEW LAUNCHES PER YEAR



OTHER EXPENSES TO REVENUE# (%)



DAYS OF OPERATING WORKING CAPITAL



Does not include advertisement and sales charges

Q&A with MD and CEO

Doubling down on execution



Over the last three years we have built capabilities and laid a solid foundation that has propelled us and will stand us in good stead as we strive for accelerated growth.

Sunil D'Souza
MD and CEO

Q IT HAS BEEN THREE YEARS SINCE THE FORMATION OF TATA CONSUMER, AND ITS TRANSFORMATION JOURNEY. CAN YOU BEGIN BY GIVING US AN OUTLINE OF THE PROGRESS MADE?

Our transformation journey to becoming a leading FMCG Company is well on track; we have laid a solid foundation and built capabilities for accelerated growth. We are staying true to our strategy and executing against it. Our defined roadmap is based on our strategic goals and guides our planning and execution.

Our total addressable market is now larger, our core businesses are enhanced, and we are future-ready, more than ever before.

We now directly reach 1.5 million outlets with an overall reach of 3.8 million outlets, and growing. We are embedding digital deep into our value chain, from the front-end salespeople to the supply chain, operations, procurement, and back-end. This provides us with data for building strong analytics across the business.

Our capabilities are scalable and can be applied to new categories or businesses that we may pursue. Our growth businesses i.e., Tata Sampann, NourishCo, and Tata Soulfull, are growing well. We are going beyond our core (which has been strengthened), and focusing on building new F&B platforms that will create a greater presence across categories.

To ensure future readiness, we are also investing in talent and recalibrating the organisation structure to be more scalable and robust.

We have been fostering an environment of innovation that puts the consumer first, which has helped us increase our innovation-to-sales ratio to 3.4% in FY 22-23, from just 0.8% in FY 19-20.

Our focus on building a strong and sustainable domestic business has resulted in India contributing 71% to our branded revenue in FY 22-23 from 62% in FY 19-20. Our growth businesses have also scaled remarkably well, growing over 50% this fiscal.

We have been working to create efficiencies in all aspects of our business, for instance, we have reduced working-capital days to 35 at the end of FY 22-23 from 59 at the end of FY 19-20.

Q FMCG COMPANIES HAVE FACED NUMEROUS CHALLENGES THIS YEAR DUE TO VARIOUS EXTERNAL FACTORS AND RURAL DEMAND CHALLENGES. HOW DID YOU COPE?

The macro environment was indeed challenging due to geopolitical tensions, decadal-high inflation hurting demand and consumer choices, monetary tightening, and rising interest rates, impacting the global economy. These impacted our raw material and other costs, especially in the International Business.

Yet, we remained focussed on execution and strengthened the foundations of our businesses to support long-term growth.

Our Salt business grew in strong double digits and its three-year CAGR is 19%.

While the Tea business was subdued due to a slowdown in some key markets, the three-year CAGR for Packaged Beverages is still tracking at 10%. Our premiumisation agenda is on track with several new launches in the branded Coffee portfolio, which grew 31%.

Our growth businesses grew 53% this year, and we are expanding our portfolio by adding new vectors of growth. We accelerated the pace of innovation, with an average of three new launches a month. Our 'Fit for Future' infrastructure with an R&D Centre of Excellence in Bengaluru, will add further impetus to our innovation agenda.

Finally, we are focusing on cost and efficiency by simplifying, streamlining and synergising our businesses, as seen with the Tata Coffee merger that is underway.

Q HOW DID ALL OF THIS TRANSLATE INTO OVERALL BUSINESS AND FINANCIAL PERFORMANCE?

We reported 11% topline growth, with a 7% increase in EBITDA, which was impacted by significant inflation in our Salt and International Business. The India Business grew by 10%, with growth businesses i.e., NourishCo, Tata Sampann, and Tata Soulfull accounting for 15% of our India Business. Importantly, the EPS grew by 28%. We also achieved robust free cash flow conversion. If you take our 3 year history, we grew revenue and EBITDA at a CAGR of 17% and 13% respectively, despite pandemic-related challenges.

Q&A with MD and CEO

During the year, the Salt business grew at a strong double-digit rate, with new innovative products like Tata Salt Immune, Tata Salt + Vitamin Shakti, and Tata Salt Pink Salt.

The International Business grew at a high single-digit rate accounting for a little over 25% of overall revenue. There, the profitability was impacted by input cost inflation and adverse currency movements, and we have taken pricing actions to correct this are seeing strong sequential recovery in margins. More importantly, we have injected high quality talent in the leadership team there and have implemented structural changes to reduce costs.

Our JV, Tata Starbucks, added 71 new stores during the year, bringing the total to 333 stores across 41 cities and the business was EBITDA positive.

Q YOU MENTIONED THAT THE GROWTH BUSINESSES ACCOUNT FOR 15% OF THE INDIA BUSINESS. WHAT IS DRIVING GROWTH HERE?

Our growth businesses have all grown strongly, and we will continue to drive them further.

Under Tata Sampann, we have strengthened our core portfolio of pulses, spices and other staples. We forayed into South India with custom spice blends. We have also expanded into premium categories like Dry Fruits and increased our ready-to-eat (RTE) and ready-to-cook (RTC) offerings, through Tata Sampann Yumside (formerly Tata Q) making a larger play into the Pantry space.

NourishCo, our Liquid Beverages Business, has recorded significant topline growth. Revenues increased 3.5x from c.INR 180 crores in FY 19-20 (when it was converted from a JV to a wholly owned subsidiary) to INR 621 crores in FY 22-23. We achieved this by expanding distribution, building higher capacity through co-packers and introducing new products which now contribute 13% to the business. Tata Copper+ brand has achieved exponential growth due to its unique proposition, and the Himalayan brand has turned profitable, enabling expansion into newer products such as Honey and Preserves.

Our millets business – Tata Soulfull – has grown almost threefold since we acquired it in 2021, propelled by synergies with our distribution system. With 2023 being the International Year of Millets, Tata Soulfull is in a strong position to capitalise on this opportunity by increasing the awareness and accessibility of this portfolio.

Q HOW IS THE SALES AND DISTRIBUTION EXPANSION AGENDA COMING ALONG, AND WHAT NEXT?

We have rapidly expanded our distribution network, growing 3 fold from ~ 0.5 million outlets in direct reach in 2020 to 1.5 million outlets currently.

Modern Trade and E-commerce have been instrumental in driving our growth, with E-commerce contributing 9% of India Business in FY 22-23, up from c.2.5% in FY 19-20. Modern Trade has grown by 21% this fiscal and contributed 14% of India Business sales.

E-commerce's Innovation to Sales contribution exceeded the Company average of 3.4%, standing at 10%.

We have also started making progress in expanding the rural and semi-urban reach, with increased direct-distributor coverage in semi-urban areas and split routes in larger towns driving assortment and growth. Our wholesale direct-outlet coverage has doubled, and an incentive programme has been instituted to maximise the wholesale network's potential.

We are now looking to appoint distributors in all towns with a population of 50K+ and a large number of high-income towns with 20k+ population. The implementation of the split routes in towns with a population of 10 lakhs+ will enhance bandwidth for the salesforce at the front end. Overall, we are on track to achieve a total reach of 4 million outlets by 2023, and we will continue to launch channel-specific initiatives to maintain momentum.

Q WHAT ARE THE KEY CONSUMER TRENDS YOU SEE POST COVID? HOW DO YOU SEE THESE TRENDS INFLUENCING TATA CONSUMER'S BUSINESS?

Our focus on key consumer trends such as health and wellness, convenience, and digital adoption is driving our innovation agenda, marketing, and sales and distribution strategies.

In the past couple of years, we have launched several products in India Business to cater to the growing health and wellness trend, including Tetley Immune with Vitamin C, Tata Tea Gold Care, Chakra Gold



Care, Tata Salt Immuno, Tata Salt + Vitamin Shakti, Tata Salt Lite, Tata Salt Super Lite, Tata Salt Iron Health, and Tata Rock Salt.

Tata Sampann offers unpolished pulses and spices with natural oils, and we have introduced a range of Dry Fruits. This year we have also entered the Protein category with plant-based meat under the brand Tata Simply Better and plant protein powder under Tata GoFit.

Tata Soulfull's entire portfolio is built around health and wellness. Tata Soulfull Masala Oats+ has 25% Millets and Ragi Bites No Maida Choco has the goodness of ragi and other grains without refined flour.

In our Liquids platforms, Tata Copper+ and Himalayan are part of our wellness portfolio.

To take advantage of the convenience trend, we have launched RTC and RTE products under the Tata Sampann Yumside brand, as well as new branded coffee offerings such as Tata Coffee Cafe Specials and the Cold Coffee range.

Finally, to capitalise on the digital adoption trend, we have strengthened our online presence through e-commerce and direct-to-customer (D2C) channels. Our omnichannel strategy allows us to provide consumers with a seamless shopping experience across multiple touchpoints. We have a D2C presence for Tata Soulfull, Tata Tea 1868, Sonnets, and Tata Gofit. In addition, our D2C website www.tatanutrikorner.com, offers all our brands in India on a single platform, enhancing convenience for consumers. We are currently available in select cities and plan to expand our reach further.

Q YOU HAVE STEPPED UP YOUR FOCUS ON INNOVATION THIS YEAR AND ENTERED NEW CATEGORIES. WHAT IS THE THINKING BEHIND THAT, AND DO YOU SEE THIS PLAYING OUT TO YOUR EXPECTATIONS?

We have taken a strategic approach to identifying key platforms we want to play in. After evaluating several factors, including market opportunity, category growth, profitability, our capabilities including distribution and R&D, and our overall competitive edge, we've narrowed the universe down to five key platforms—Current core (tea, coffee, salt), Pantry (pulses, spices, staples, RTCs, dry fruits), Liquids (water, RTD), Mini meals (breakfast cereals, RTEs, snacks), and Protein platform (plant-based meat, plant protein powder). This framework enables us to develop a targeted understanding of our consumers, enhance our internal capabilities, innovate within established parameters, expand our total addressable market, and tap into new consumption occasions.

As a result, we have entered new categories, launched differentiated products, and added significant value to our portfolio extensions. Our pace of innovation has increased, leading to improved financial performance and several margin-accretive launches.

We have also invested in state of the art R&D infrastructure in Bengaluru, Mumbai, and Sri City to future-proof our innovation capabilities, which has resulted in almost doubling the number of launches in FY 22-23 compared to FY 21-22 and increased our Innovation to Sales ratio to 3.4%.

Q YOU MENTIONED THE INTENTION TO SIMPLIFY AND SYNERGISE THE BUSINESS. CAN YOU PROVIDE AN UPDATE ON THE PROGRESS OF THESE INITIATIVES?

We have been on a journey of simplifying, scaling and synergising our businesses since 2020. A key initiative is the merger of Tata Coffee with Tata Consumer - expected to conclude in 2023. It entails demerging Tata Coffee's plantations business into a wholly-owned subsidiary of Tata Consumer, and integrating its coffee extractions business with our tea- extraction business.

Q&A with MD and CEO



This will allow us to strengthen our product offerings and unlock market potential by widening the portfolio and geographic reach.

Our legal structure is also being simplified and we are targeting to almost halve the number of legal entities that we currently have. This will help unlock operational efficiencies and enables faster decision-making, execution, and result in significant savings. Similar initiatives are underway in our International Business too.

We have undertaken restructuring initiatives in our International Business to boost competitiveness, including organisational cost reductions and establishing a shared services centre to streamline backend operations and reduce costs.

Q WHAT ARE YOUR PLANS FOR THE INTERNATIONAL BUSINESSES?

In our key international markets of the US, UK and Canada, we have a sizeable share in the black-tea segment which we are revitalising with innovation and impactful marketing.

We are also strengthening our non-black portfolio by focusing on Fruit, Herbal and Specialty teas. We have adopted a three-brand strategy centred around Tetley, Good Earth, and teapigs to cover the entire tea market.

In the US coffee business, we are expanding our play in the fastest-growing K-cup segment and pursuing further distribution opportunities.

To tap into the fast-growing Indian Ready Foods segment in International markets, we recently introduced Tata Raasa, which offers ethnic RTE and RTC meals inspired by traditional regional recipes from India.

> To be successful, we recognise the need to be strategic and choiceful about where we invest our resources. While FMCG offers a large landscape of opportunities, we will focus on areas where we can win and add value, taking into account various factors such as category growth, profitability, and competitive intensity among others.

Over the past few years, we have sharpened our strategy in key markets, exiting marginal or non-core operations. Most recently we have restructured our operating model in Bangladesh and exited the previous joint venture. We have also increased our stake in the Joekels tea business in South Africa.

Q WHAT ARE THE SUSTAINABILITY GOALS AND INITIATIVES OF TATA CONSUMER? WHAT PROGRESS HAS BEEN MADE IN THIS AREA?

Sustainability is emerging as a crucial factor in consumers' buying decisions, and this trend is shaping businesses. It is also increasingly becoming a key consideration for all stakeholders, including shareholders, employees, and business partners. Therefore, our sustainability strategy has been informed by various sources, including the UN's Sustainability Development Goals (SDGs), materiality analysis conducted with a broad cross-section of our stakeholders, industry trends, regulatory requirements, and science-based targets.

In FY 22-23, we released our ESG report, which lays out our Sustainability Strategy 'For Better Living' and encompasses four key areas: For Better Nutrition, For Better Sourcing, For a Better Planet and For Better Communities. It includes a set of commitments to achieving net-zero status, water neutrality, circular economy of plastics, diversity in the workforce, sustainable products, and sustainable sourcing among others.

These commitments are also completely aligned to the Tata Group's sustainability vision and goals under Project Aalingana.

Q HOW ARE YOU STRENGTHENING THE TEAM AND CULTURE?

We have prioritised attracting and retaining top talent in significant roles and functions while simultaneously enhancing organisational capability. For instance, we recently brought in new business heads in the UK and the US and a D2C Head in India, to execute our growth roadmap. It is critical to have a competent and driven team across all levels. We are also creating a robust talent pipeline for the future with our management trainee programme and robust processes in talent management and succession planning.

Additionally, we have increased our focus on Learning and Development, and in mapping learning interventions to key organisational capabilities. We are committed to inclusivity in our culture, and have initiated programmes to develop an inclusive culture and such as sensitisation programmes, employee resource groups, and diversity-friendly policies, to drive this further.

Q FINALLY, WHAT ARE YOUR KEY PRIORITIES GOING FORWARD?

The top priority has to be growing through strengthening the existing business and expanding into F&B adjacencies. We will keep working on our transformation, and building capabilities to achieve sustainable and profitable growth, leading to a virtuous flywheel of stronger return ratios.

To be successful, we recognise the need to be strategic and choiceful about where we invest our resources. While FMCG offers a large landscape of opportunities, we will focus on areas where we can win and add value, taking into account various factors such as category growth, profitability, and competitive intensity among others.

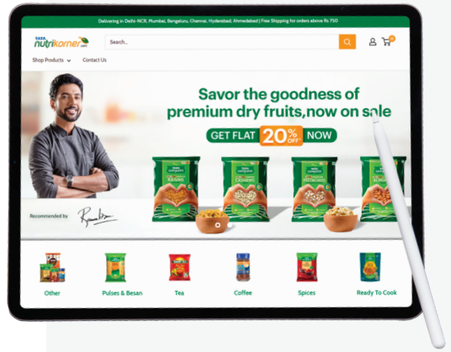
We will continue to assess new segments and categories based on their potential, and will take the inorganic route where necessary, to acquire capabilities we do not possess or need to develop quickly, as long as they meet our strategic and financial filters and align with our long-term objectives.

Tata Consumer is on a journey to create long term value for all stakeholders, and I can say that there is a lot to look forward to.

Sunil D'Souza
MD and CEO

Market trends

Staying agile in the face of constant change



FUTURE READINESS THROUGH DIGITAL

According to a study by Kanvic, the number of internet users is up ~80% between 2017 and 2021 and is likely to reach 900 million in 2025. Even the rural sector-with 56% of internet users in India-has seen a 45% rise in online users since 2019 compared to 28% for urban India.

OUR RESPONSE

We have accelerated our digitalisation process, with digital transformation being driven across the value chain. We are also leveraging digital to connect with consumers and understand their needs better.

EVOLVING IN LINE WITH CONSUMER PREFERENCES

Indian consumers are consciously choosing brands that offer nutritious alternatives for their wellbeing.

OUR RESPONSE

In response to the consumer trend toward healthier living, we strengthened the Tata Soulfull portfolio and entered the protein platform. We also launched several innovations focused on Health and Wellness across salt and tea. We also serve a diverse cross-section of consumers thanks to our different price points.



BUILDING DIRECT-TO-CONSUMER CAPABILITIES

The digital technological advancements have altered consumer behaviour, especially of millennials, and start-up culture has prompted the rise of direct-to-consumer (D2C) brands. By industry estimates, the number of D2C brands is expected to reach 2,00,000 by 2025 driven by post-pandemic changes in buying patterns.

OUR RESPONSE

We have launched a premium coffee and a luxury tea range through the D2C model in India. Our Nutrikorner website at tatanutrikorner.com brings together all our brands on one platform, offering consumers a more convenient shopping experience. This is currently available in select cities and we are looking at scaling this further. In international markets we launched new products of Tetley through D2C.

SEGUE TO 'SUSTAINABLE'

According to a 2021 global sustainability study, one-third of consumers are prepared to pay more for sustainable products. As consumer, employee, and regulatory expectations change, sustainability will continue to gain significance.

OUR RESPONSE

We have set goals to reduce our environmental impact with specific targets on net zero, water neutrality, conservation of natural resources and circular economy in plastics. For more details refer page 90.



In a post-pandemic world, market disruption is the new norm, with numerous trends and significant demographic changes influencing the direction of FMCG businesses in India. Some of the key trends are digital marketing, e-commerce, direct-to-consumer (D2C) brands, and changes in consumption patterns, which are creating new opportunities for us while also reshaping the structure of the sector as a whole.

MANAGING UNCERTAINTY

While the ongoing geo-political tensions and other macro factors have resulted in inflationary pressures impacting consumption, the mid-to-long-term consumption story remains intact. In the short-term, consumers might seek value, and limit their spending but demand for more trust-based purchases would persist.

OUR RESPONSE

We have taken price increases in the salt and International Businesses to counter inflation, while broadly holding or growing market share. While the India tea business saw some headwinds, our growth businesses sustained their trajectory, growing 50%+. Our out-of-home businesses, NourishCo and Starbucks, also saw a strong post-COVID revival.





CATERING TO A WIDE CROSS-SECTION OF CONSUMERS

Consumer segmentation is becoming more pronounced, clear opportunity is emerging to address both ends of the consumer spectrum. India has a significant opportunity for growth at the bottom of pyramid as well as a strong trend of premiumisation.

OUR RESPONSE

We have introduced small packs priced attractively to make our products more accessible to a larger consumer base while also launching several innovations focused on premiumisation.

LEVERAGING CHANNELS OF THE FUTURE

The pandemic significantly impacted the products customers choose to consume and the channels they use. E-commerce has demonstrated that it is a channel that will continue to grow. By 2025, the Indian e-commerce market is expected to surpass modern trade.

OUR RESPONSE

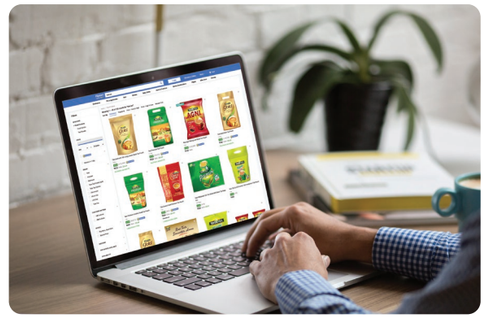
E-commerce as a channel has grown at 32% during the year for Tata Consumer and now accounts for 9% of India Business. New product introductions contributed 10%+ of overall India e-commerce sales.

PLAYING BIG ON BIG DATA

According to a 2022 report named "How India shops online by Bain", digitalisation, big data, and analytics will open new frontiers in terms of how FMCG companies engage with consumers and reflect in the way product offerings are made to address the specific need gaps.

OUR RESPONSE

We are leveraging AI for our innovation. Today there are AI insights generated for mapping white space opportunities, helping us better validate our assumptions before going to market as well as clearly understand consumer trends.



Business review

Unlocking value, accelerating growth

During the year, we continued to focus on increasing our distribution reach, expanding our total addressable market, investing behind key brands, and streamlining and synergising our operations to unlock value.

India Business performance

We continued to execute on our transformation agenda to deliver strong results for the India Business. We strengthened our innovation capabilities and revamped our R&D facilities to accelerate innovation and build future readiness. New product launches were 2x of the previous year. We have made consistent progress in our direct reach as well as total reach with expansion in rural and semi-urban areas and split routes in larger towns with populations greater than one million. Alternate channels continued to fuel our growth and innovation agenda, with both Modern Trade and E-commerce channels showing strong growth and contributing 14% and 9% respectively towards India sales.

INR 8,717 Cr ↑ 10%*

India Business revenue

71%

Share in total branded revenue

* Increase vs PY



Packaged Beverages India

PROGRESS MADE IN FY 22-23

- Revenue for the year declined 5%, with 1% volume decline owing to weakness in some of our key markets and price corrections. This brings the three year CAGR of the business to 10%
- Maintained the momentum on innovation with several new launches in both tea and coffee
- Continued to maintain market leadership in tea in e-commerce
- Strengthened focus on premiumisation; the premium tea portfolio grew faster than the mass economy portfolio
- Coffee revenue rose by 31% led by new SKU launches and roll-out in new geographies
- Tata Tea Gold Care continued to see strong traction post its roll-out across India
- Sharpened brand strategy by consolidating brand architecture across the portfolio. including the Tata Tea Agni Masterbrand architecture consolidation
- Continued with our hyperlocal brand-building strategy for key brands

Packaged Foods India

- Salt revenue grew 25%, delivering a three year CAGR of 19%
- The value-added salts portfolio grew to 4.5X, in part led by new innovations like Tata Salt Immuno
- Launched Shuddh by Tata Salt, a solar salt for the South to expand the market. Also launched Vitamin Shakti, Iron Health and Pink Salt to build a portfolio of value-added salt variants to drive premiumisation
- Tata Sampann portfolio delivered strong growth of 29%, with broad-based performance across staples and dry fruits
- The dry fruits segment scaled up well with strong growth and share gains across e-commerce platforms
- Tata Sampann launched customised pure and blended spices for the South market
- Expanded the addressable market by entering the protein category with Tata Simply Better and Tata GoFit
- Tata Soulfull continued its strong growth trajectory, up 100%+ YoY
- Tata Soulfull profitability profile improved through initiatives on reducing manufacturing and freight costs
- Ready-to-eat (RTE) business (formerly Tata Q) was relaunched under the new brand name of Tata Sampann Yumside with a revamped and expanded portfolio



Liquid Beverages

- NourishCo had a landmark year, recording INR 621 crores in net sales for the year, up 80% YoY
- Tata Copper+ franchise scaled to 2.1x
- Expanded capacity to 2x to support growth
- Himalayan water grew 85% YoY and continued to be EBIT positive.
- Himalayan was positioned as a provenance brand and extended into premium preserves and honey
- Launched Tata Fruski Juice n Jelly, a disruptive format of drinkable jelly in select markets



Tata Starbucks

(50:50 JV)

- Launched 71 new stores (highest ever annual addition to the store count) across 15 new cities and continued expansion into Tier-2 cities
- Revenue grew 71% YoY, and the business was EBIT positive
- The 'My Starbucks Rewards' loyalty programme crossed 2.3 million customers
- Launched the first Starbucks Reserve store at the Flagship Mumbai location
- Introduced Picco, a new small-size for hot beverages, in select stores
- Expanded the health-forward portfolio with a vegan menu, salads, and protein boxes

Business review

International Business performance

We focused on strengthening our non-black tea portfolio in Fruit and Herbal and Specialty teas and have adopted a 3-brand strategy focused on Tetley, Good Earth and Teapigs to have a complete play in the overall tea market. At the same time, we are also rejuvenating our black tea portfolio and strengthening our coffee portfolio in the US. We have implemented structural changes to make the business leaner and stronger. We are adding new vectors of growth - we have recently entered the fast-growing Indian Ready Foods segment with Tata Raasa, a range of RTEs and RTCs tailored for local preferences in those markets.

INR 3,589 Cr ↑8% (5%*)

International Business revenue

29%

Share in total branded revenue

* Constant currency increase vs PY

PROGRESS MADE IN FY 22-23



UK

- Revenue for the year was flat (constant currency) vs PY
- We implemented a series of price increases to mitigate input cost inflation which has resulted in strong sequential margin improvement.
- Tetley gained share in everyday black, speciality and green tea segments.
- 12 new Tetley lines were listed across 230 stores of Morrisons, the UK's fifth largest supermarket chain
- Completed integration of teapigs brand with Tata Consumer UK





USA

- Coffee revenue for the year grew 7% (constant currency).
- We implemented a series of price increases to mitigate input cost inflation which has resulted in strong sequential margin improvement.
- EOC K-cups continued to drive growth of the brand led by focused execution
- Teapigs was the fastest-growing brand in Specialty tea, growing 4X the category
- Tata Raasa RTE range launched within select Ethnic grocery stores





Canada

- Revenue for the year grew 9% (constant currency).
- We implemented a series of price increases to mitigate input cost inflation which has resulted in sequential margin improvement.
- Tetley maintained its market leadership position led by market share gains in the regular tea segment.
- New distribution for Tata Tea led to rapid growth, albeit off a small base
- Tetley Super Teas strengthened its presence with direct-to-home tea sampling and social media campaigns to drive trial and awareness
- Rolled out Tata Sampann and Tata Tea digital campaigns on popular South Asian websites to drive awareness and trial of products, targeting the Indian diaspora



Awards and recognition

Recognised for excellence

During the year, we received several recognitions and awards for exemplary corporate performance, governance, sustainability, brand campaigns and operational excellence.

Corporate

Won Gold for the **Best Business/Financial Content (Print)** at the India Content Leadership Awards and Conference 2022 by Inkspell and India Creative Industries Council

Recognised by the Indian Institute of Packaging with **5 Indiastar 2022** awards, by the SIES School of Packaging with **6 Star 2022** awards and by The World Packaging Organisation with a **Worldstar 2022** award

Our learning intervention 'Catalyst' won 6 awards at the prestigious Brandon Hall Group HCM Excellence Awards 2022

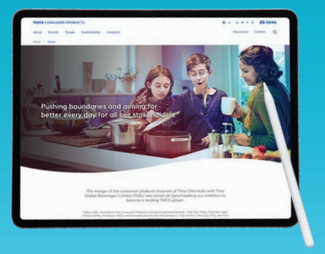
Recognised for **Growth Performance (F&B category)** at Dun and Bradstreet Corporate Awards 2022



India's **4th Most Valuable Brand** in the Food and Beverage category in the Brand Finance India 2022 Report



Ranked in Kantar's Brand Footprint Report 2022 as the **5th Most Chosen FMCG Brand** in India



Our corporate website won the 2022 International Association of Business Communicators (IABC) Gold Quill Award of merit in the **'Communication skills for the web'** category

Sustainability

Gold Award in **Category 2 – Climate Change** of ICAI International Sustainability Reporting Awards 2021-22

Tata Consumer Products' **Beverages packeting centres** in Gopalpur and Kellyden won Silver in the India Green Manufacturing Challenge 2021-22 by the International Research Institute for Manufacturing



The Dam Dim Packaging Centre received the First Prize in the **Consumer Goods category** at the National Energy Conservation Awards 2022 (NECA 2022)

Tata Consumer Products UK won Gold Award in recognition of support to GroceryAid through **raising awareness, fund raising and volunteering**

Beverages packeting centre in Gopalpur awarded **'Outstanding performance in Food Safety'** at the 13th CII Food Safety Awards

Brands



Tata Tea Chakra Gold won the **Brand of the Year** at Exchange4media's Indian Marketing Awards South 2022



Tata Coffee Grand won a bronze at the ET Shark Awards for its regional **'Sounds of Pongal' campaign**



Our **packaged beverage brands** won 8 Stevie awards at the 19th Annual International Business Awards for their **impactful brand PR campaigns**





Tata Tea Premium won 3 Gold and 1 Bronze at the Indian Marketing Awards for **impactful brand** campaigns



Tata Soulfull emerged as the winner of Exchange4media's D2C award at the e4m D2C Revolution Awards 2022

STRATEGY

Execution discipline

Tata Consumer's strategy to achieve business goals is driven by a deep understanding of the needs and aspirations of the communities and people we serve. After the formation of Tata Consumer, we had identified six strategic priorities for the business. These priorities are key building blocks that power our aspirations. We have made further progress against each of these during the course of this year.



STRATEGIC PRIORITIES

Strengthen and accelerate core business

Key levers

- Strengthen sales and distribution network, including alternate channels
- Brand building
- Driving premiumisation

Read more on see page 48

Drive digital and innovation

Key levers

- Embed digital across the organisation to increase operational efficiency
- Accelerate innovation agenda

Read more on see page 58

Unlock synergies

Key levers

- Operate with a simplified and efficient structure
- Create a multi-category FMCG Company
- Common sales platform and integrated back-end
- Manage integration of acquired businesses and track synergies

Read more on see page 64

Explore new opportunities

Key levers

- Expand portfolio to increase total addressable market and drive improvement in return ratios
- Accelerate new launches
- Explore inorganic opportunities that meet pre-defined criteria

Read more on see page 66

Create a future-ready organisation

Key levers

- Promote diversity and inclusion
- Consistent capability building
- Integrated organisational structure
- Harmonise systems and processes

Read more on see page 80

Embed sustainability

Key levers

- Build a sustainable business for all our stakeholders
- Make sustainability strategy an integral part of overall business strategy

Read more on see page 86

Strengthen and accelerate core business

We remain committed to strengthening and accelerating our core business through strategic efforts in key identified areas. Our focus has been on strengthening our brands, expanding our market presence, and delivering innovative products.

Sales and distribution expansion

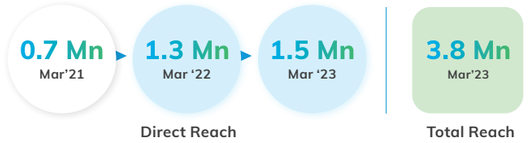
Strengthening and expanding our Sales and Distribution (S&D) network is critical to realising our ambition of being a leading FMCG Company. We have rapidly scaled up our network during the year, and are now focusing on enhancing semi-urban and rural distribution. In addition, we have focused on building capability for our sales teams to ensure market agility and increased effectiveness.

We have supported and strengthened our core business, while also nurturing new product launches and reducing their time to market. We continue to focus on enhancing our e-commerce and modern trade presence and have recorded significant gains in alternate channels.

DIRECT DISTRIBUTION FOOTPRINT INCREASE

During the year, we increased the direct distribution by 15%. This has allowed us to take our portfolio to a larger outlet universe with more impact. Tata Consumer currently has a direct reach of 1.5 million outlets across India, a 2x+ increase from two years ago.

Strong Impetus on reach



PREMIUM GROCERY OUTLET PROGRAMME

Samruddhi, our 100% digital Trade Loyalty programme, has completed 2 successful years. The programme has driven resource optimisation coupled with digitalisation, direct-to-outlet communication, and payouts.

Tailor-made consumer promotions, promoter activation, festival communication, NPD promotion, and Share of Shelf / Planogramming are some of the key interventions that led to a 58% growth in the outlets that were part of the programme.

The impact of Samruddhi on the Stand-Alone Modern Trade (SAMT) channel has been outstanding, with the contribution of SAMT to overall General Trade sales doubling to 10%.



Increasing presence in South India

We are expanding our presence in South India across tea, coffee, salt and spices with the launch of South-specific products to cater to regional consumers.

In tea, our Chakra Gold and Kanan Devan brands continued to make strong inroads into the South market backed by strong brand campaigns. Tata Coffee Grand was restaged with a new pack design.

In both Tea and Coffee, we continued to gain ground in the South. We have identified the rural market as an area of opportunity and are focussing on building distribution in rural and semi-urban markets now.

In Salt, we launched Shuddh a brand specifically targeted to the South market. In the spices category, a range of customised spices was launched under Tata Sampann.



Strengthen and accelerate core business

DATA-DRIVEN EXECUTION PLANS

Data insights are key to making and executing shopper marketing plans. These plans are continually updated in line with market trends and opportunities to sharpen execution.

HIGH-QUALITY SELL-OUT SUPPORT – 360 DEGREES MARKET SUPPORT

As part of our ongoing efforts, we have pursued innovative sell-out solutions to drive growth. All Samruddhi SAMT stores have execution plans which are digitally tracked, to drive higher shelf throw and improve Share of Shelf through 3rd party merchandisers.

BUILDING AN AGILE RURAL AND WHOLESALE NETWORK

During the year, we focused on identifying SKUs relevant to the rural network and key feeder markets to drive reach. With key market mapping and geo-tagging, the plan is to automate the rural network and augment feet-on-the-ground accordingly. With a 2.5X increase in wholesale direct reach achieved during the year, the intent was to engage effectively with the wholesale network and make it an extended arm of the sales system. To enable this, Lakshya our wholesale loyalty programme, was launched along with key focus SKUs defined for each geography.

2.5X

Increase in Wholesale direct reach achieved during the year

Lakshya

Launched as a wholesale loyalty programme, to engage effectively with the wholesale network

Consumers engage with Tata Consumer products in various categories- from Tea, Coffee, Salt, and vital staples to convenient meals - across millions of outlets in General Trade, Modern Trade , e-commerce and institutions.





OMNI-CHANNEL APPROACH

Consumers engage with Tata Consumer products in various categories- from Tea, Coffee, Salt, and vital staples to convenient meals - across millions of outlets in General Trade, Modern Trade, e-commerce and institutions. Our assortments are tailored to meet changing consumer needs and shopping behaviours in each retail channel, helping us establish leadership positions in many categories. We have also devised a robust omnichannel process to give consumers a unified experience, especially on product pricing.

E-COMMERCE

E-commerce has continued to grow at a rapid pace in FY 22-23, up 32% year-over-year. Several new initiatives were carried out during the year, including a dedicated customer marketing vertical, the use of data and analytics to generate insights and improve efficiency, and redesigning of the team structure to include a key account team for driving sales.

E-commerce | Key Highlights



Tata Consumer continues to be the market leader in Packaged Tea category for 23 consecutive months



Strengthened market leadership position in Pulses and Salt categories at key accounts



Tata Sampann Dry Fruits achieved double-digit market share in one of the largest key accounts



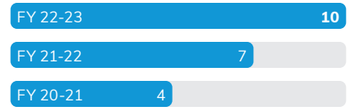
Doubled revenue in Coffee category with high double-digit shares in one of the largest key accounts

E-commerce performance

e-Commerce contribution to India Sales (%)



NPD contribution to e-Commerce sales (%)



32%

Growth in e-Commerce sales in FY 22-23

MODERN TRADE

During the year, Modern Trade channel grew 21% and increased its share in India Sales to 14%. The channel continued to play a vital role in the innovation agenda, with 69 new SKUs on shelf during the year.

MT performance

MT contribution to India sales (%)



NURTURING NEW PRODUCTS

We have crafted an agile, scalable, and sustainable model to support core business and foster New Product Development (NPDs). The market opportunity is assessed at a category level to ensure successful launches, with necessary stock and point-of-sale materials (POSM) arranged for each NPD.

Subsequently, plans are implemented state-wise over 60 days – starting with 'Innovation Week'. Additionally, a robust framework for feedback has been established to course correct and drive efficiency.

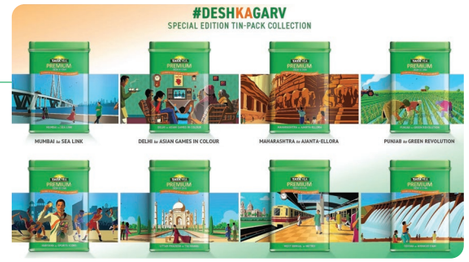
We are ready to launch 200 new products yearly with a micro-market-based execution and 360-degree market support to ensure a successful launch. Moreover, e-commerce and Modern Trade are key channels for testing and piloting new launches, allowing us to refine the product before rolling it out across General Trade.

Strengthen and accelerate core business

Investing in our brands

DIFFERENTIATED BRAND CAMPAIGNS

To celebrate the 75th year of India's Independence, Tata Tea Premium - Desh Ki Chai launched a limited edition '*Desh Ka Garv*' tea-set collection, special tin packs and a film commemorating India's proud moments post-Independence.





To combat the issue of brand lookalikes in Uttar Pradesh, Tata Salt launched a campaign featuring Ravi Kishan, a well-known celebrity. The aim was to educate consumers that "not every orange pack is Tata Salt" and that a low-quality salt can impact your health.

Tata Tea Premium celebrated Republic Day with its '*Desh ki Jhanki*' campaign, showcasing unique virtual jhanki or parade. In line with the brand's hyper-local approach, the campaign allowed users to enjoy an immersive experience through a 360-degree viewing of 3D parades at IndiaKiChai.com.





Tata Tea Gemini, the no.1 brand in Telangana, launched the Never Settle Campaign - an anti-adulteration initiative to create awareness about the scourge of adulterated tea rampant in Telangana region.

Building on the '*Dil Ki Suno*' campaign, Tata Tea Gold collaborated with celebrated mountaineer and Padma Shri awardee Premlata Agarwal, discussing women's stories of dilemmas and how they overcome them to follow their heart's calling.



HYPERLOCAL CAMPAIGNS

Punjab

Tata Tea Premium's *Lohri* campaign '*Vaddi Khushiyaan De' Tappe* gave consumers distinctive experiences using AI-driven hyper-personalised *Tappas* sung by Shehnaz Gill

Rajasthan

Tata Tea Lal Ghoda and Kala Ghoda were restaged with new packaging and proposition to celebrate the essence of Rajasthani hospitality





Bihar and Jharkhand

Tata Tea Leaf celebrated the festival of Chhath with the launch of four special packs backed by a 360 degree campaign in Bihar and Jharkhand





Maharashtra

To celebrate '*Sarvgunni*'- spirit of Marathi Women-Tata Tea Premium hosted a unique all-women *Shobhayatra* (Bike Rally) in Pune and Aurangabad on *Gudi Padwa*.



West Bengal

Bringing alive the joy of Durga Puja, Tata Tea Gold launched uniquely designed packs and a Tea Table book depicting 5 famous art forms of West Bengal – Shola, Dokra, Terracotta, Kalighat and Krishnanagar Clay Dolls. Also, inspired by the state's rich 'Shilpokala', a special series of 15 festive edition packs was crafted specially by the artisans of Bengal



Andhra Pradesh

For Navaratri, Tata Tea Chakra Gold in partnership with *Lepakshi* Handicrafts, celebrated *Kondapalli* - an art form with a rich tradition, and launched festive packs



Tamil Nadu

Tata Tea Chakra Gold celebrated *Deepavali* in Tamil Nadu by launching a limited-edition festive pack, paying an ode to the festival of lights.

Map not to scale

Strengthen and accelerate core business

PROMOTING WELLNESS



Tata Salt Immuno launched a campaign to create awareness about the benefits of zinc fortification including better immunity.



Tata Copper+ launched a campaign to highlight the unique proposition of goodness of water stored in copper vessels, and available in packaged drinking format as Tata Copper+.



ENHANCING BRAND EQUITY IN INTERNATIONAL MARKETS

To strengthen our position in one of our key international markets - the UK, we are pursuing a three-brand strategy.



teapigs.

Teapigs launched its first-ever TV ad ‘Live large, Brew big’ in the UK, which saw great traction and positive reviews amongst the target audience.



GOOD EARTH
CALIFORNIA 1972

Good Earth UK initiated a collaborative marketing scheme with Nakd, pairing its teas with Nakd’s snack bars.



Tetley

Tetley was back on television screens with ‘For The Love Of Tea’ TVC, amplified across all social platforms.



Tetley Super Teas continued to strengthen its presence in Canada with direct-to-home tea sampling and social media campaigns.

Driving premiumisation

TEA AND COFFEE

Tata Tea Gold Care, a variant launched less than two years back, now contributes to ~5% of the Gold franchise turnover. Our premium brands, including Tata Tea Gold Care, Chakra Gold Care, Tata Tea Premium TeaVeda, Tetley Black, Tata Tea Gold and Chakra Gold have grown faster than the rest of our portfolio during the year.





Launched Tata Tea Gold Saffron- a premium tea with the opulent taste of saffron.



Taking ahead the hyperlocal approach of Tata Tea Premium, the brand launched unique street-tea variants from various parts of the country as part of Tata Tea Premium Street Chai collection.



Launched Tata Coffee Gold – 100% freeze-dried coffee offering an elevated coffee experience.



Tata Coffee Grand Premium, a 100% coffee blend with flavour-locked decoction crystals, was launched to cater to consumer tastes and preferences in the non-south region. The new launch was supported by a captivating film using ASMR (Autonomous Sensory Meridian Response), that showcases the sensory journey of Tata Coffee Grand Premium from bean to the cup.



Launched Tetley Gold Brew, a premium blend in the UK market.



Launched Tetley Live Teas in Canada, a line of herbal teas designed to encourage consumers to be more mindful and present, to bring more joy to one’s life. The launch was supported by an integrated communications campaign called “Live in the Moment” with the aim of focusing on mental wellness.



Focus on Non-Black Tea in the UK

We continue to focus on non-black teas, considering the potential for high-end premium teas in Fruit and Herbal in the UK and teas with functional benefits. In a strategic move, Tetley Super Teas have been given a makeover. Several new SKUs have been created to meet popular functional demands, including sleep aids, enhanced digestion, improved well-being, and energy boosters. The focus remains on core ‘café range’ of products led by the universally acclaimed Peppermint.

Good Earth’s unique blends have been especially well-received among the younger generation. Winning Best Taste awards and great online reviews, its top-selling products - Ginger Turmeric and Lemon; Green Tea and Moroccan Mint; and Hibiscus Rose and Sweet Berries - are all non-black teas.

Strengthen and accelerate core business

BOLSTERING OUR SALT PORTFOLIO THROUGH MULTI-BRAND PLAY

To strengthen our portfolio approach within the salt segment, we launched a premium solar salt and several value-added salts fortified with essential micro-nutrients to offer consumers a bouquet of offerings to choose from, keeping in mind the growing importance of health and wellness. The key launches during the year included:







Shuddh by Tata Salt to unlock gains in the mid-tier solar salt segment in Southern India.



Tata Salt Immuno with its category-first unique proposition of added Zinc.



Tata Salt Vitamin Shakti fortified with Vitamin D and Calcium.



Tata Salt Pink Salt to accelerate upgradation from base iodised salt.



Premium and popular variants of rock salt with natural minerals.



Tata Salt Iron Health - Salt with Iodine plus Iron to address widely prevalent iron deficiency.

Through its assurance of purity and steadfast mission to deliver superior quality products to more than 180+ million households across India, Tata Salt truly stands tall on its brand promise of '*Desh ki Sehat, Desh ka Namak*'.

Creating purpose-driven brands

These initiatives demonstrate our attempt at creating brands that make a positive impact on society.

Tata Tea released a film with actor Pankaj Tripathi to spread awareness about climate change and encourage people to take small steps to combat it.

Tata Salt launched the '*Har Sawaal Uthega*' campaign with the theme '*Desh Ki Sehat, Desh Ka Namak*', aimed at amplifying the voices of India's youth.

Tata Tea Agni's Masterbrand consolidation was completed with a TVC with the tagline '*Josh Jagaye Har Roz*' featuring real-life stories of women's hockey team members to showcase their inspiring journeys.

Tetley Green Tea Immune promoted the goodness of Vitamin C and antioxidants through its *#everyBODYcan* campaign.

Tata Tea JaagoRe organised the '*Champions of Tomorrow All India Finals - Season 2*' to provide a platform for promising athletes to excel.

In the US market, Eight O'Clock Coffee partnered with the International Women's Coffee Alliance under the '*Barista Blends Rooted in Responsibility*' campaign to empower women in the coffee industry.

Starbucks and Sabyasachi contributed to the NGO Educate Girls through their merchandise partnership and positively impacted the lives of 3,000 girls.















Drive digital and innovation

We are utilising digital technology to obtain new insights and knowledge about markets and consumers and streamline our operations and systems.

We have accelerated the pace of innovation and have launched several differentiated products to enter new categories and consumption occasions.

Driving digital across the organisation

At Tata Consumer, leveraging digital for our business growth is a key priority. During the last two years, we have identified areas that technology can power across sales and distribution, operations, procurement and finance. We have adopted a cutting-edge technology stack with data analytics as a cornerstone.

This has allowed us to create fresh customer engagement opportunities, streamline operational processes and develop new business models - all while creating greater levels of efficiency.



ENHANCING CUSTOMER EXPERIENCE

Tata Consumer has launched several digital solutions to improve our customer experience. During the year, we launched our global CRM (Customer Relationship Management) platform across India, the US, the UK, Canada, and the Middle East. This enabled us to better understand our customers, resulting in improved customer experience and more personalised interactions.

Alongside, there was a strong focus on automating and streamlining processes and workflows to increase employee efficiency, enabling a greater focus on strategic initiatives. The platform enabled better collaboration between sales, supply chain and other internal functions, leading to improved customer satisfaction.

AUTOMATING DISTRIBUTION

With a focus on improving the efficiency of our distributors, we launched a new Order Management Engine, which resulted in a seamless placement and flow of orders. The engine is now being upgraded for auto-ordering and replenishment capabilities, which will be rolled out this year.

DRIVING OPERATIONAL EFFICIENCIES

We successfully deployed our Warehouse Management System across all our Carrying and Forwarding Agents (CFAs), enabling us to supply distributors quickly and manage inventory efficiently. In addition, several projects were undertaken to digitalise CFA operations.

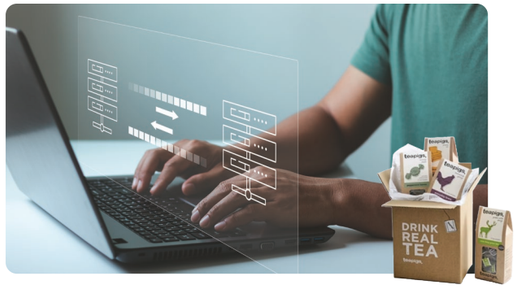
JOURNEY SO FAR

- Shift to cloud
- Single Instance of SAP
- Integrated S&D Backbone
- Integrated Business Planning
- ClearView Analytics

Next Frontier – Lead Themes

- Data-driven NPD
- AI/ML Led Procurement Org
- Data-driven Revenue Growth Management (RGM)
- Data-driven Mktg and ROI-led spend allocation

Drive digital and innovation



INTERNATIONAL BUSINESS

Several digital initiatives were implemented in our International Business to maximise efficiency. Migration to a shared SAP platform was achieved concurrently across multiple countries.

Teapigs' ordering system was also integrated into the Tata Consumer Products UK SAP system, streamlining order placement for all tea brands.

DIGITAL TEA PROCUREMENT

In tea procurement, we have utilised 15+ years of data sets and our expertise and combined it with AI/ML (Artificial Intelligence/Machine Learning) algorithms to unlock efficiencies in tea buying and blending.



Use of AI in innovation

With a strong focus on New Product Development (NPD), we leveraged AI for our innovation pipeline. For example, we use AI-generated insights based on consumer trends to map white space opportunities and validate our assumptions before launching new products.

Democratising data for higher efficiency

Around 18 months ago, Tata Consumer embarked on a digital journey to make data more widely available to everyone in the organisation, enabling them to make more informed decisions. To achieve this, we first worked towards removing obstacles preventing access to data – for example: complex systems and data silos. This resulted in successfully bringing together our internal financial and non-financial data sources and external information, such as market research and customer data sources into one location - our data lake. Our ClearView Analytics platform, which utilises this data, provides near real-time insights on our business performance, customer satisfaction, and employee engagement.

Accelerating innovation to drive growth

FIT FOR FUTURE

In line with our growth agenda, we have picked up pace significantly on innovation, focused on the key consumer trends of health and wellness, convenience and premiumisation to name a few. We have entered new categories, launched first-of-their-kind products and spearheaded significant value addition in portfolio extensions.



INNOVATION EXCELLENCE

Entry into white spaces:

- Plant-based meat
- Ready-to-Eat (RTE) range
- Protein supplements
- Ready-to-Cook (RTC) range

34
New launches during the year

3.4%
Innovation to Revenue Contribution

~2X
Number of launches vs last year

~20,000 sq ft
World class R&D facilities across Bangalore, Mumbai and Sri City.



CAPABILITY ENHANCEMENT

We have further strengthened our industrial and academic collaborations during this fiscal year. Our R&D team continues to work with different CSIR (Council of Scientific and Industrial Research) labs in India and institutes like CSMCRI, Bhavnagar, for new technologies/opportunities in Salt and IIMR (Indian Institute of Millets Research) at Hyderabad for the Millets portfolio. The R&D function also continues to leverage industrial partnerships with different partners of strategic importance.

STRENGTHENING R&D FOR BETTER OUTCOMES

Research capabilities

- Dedicated team of scientists and researchers focusing on research and analytical skills
- Strengthening capabilities in insights and sensory science

Development capabilities

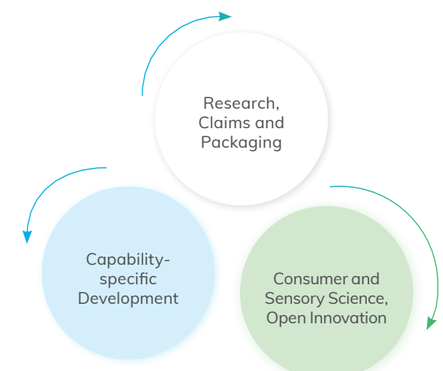
- Shift from "category specific" development to "capability specific"
- Foods - Chef expertise and application labs for the foods portfolio

Packaging Development

Re-energised global packaging function

Connected Innovation

Creating R&D accelerator to build incubation capability



Drive digital and innovation

STATE-OF-THE-ART INFRASTRUCTURE

We have restructured and rebuilt our R&D capabilities in India. Our labs are equipped with the best-in-class equipment and are supported by a highly qualified and committed team of scientists and researchers.

In addition, our International R&D includes a facility in London for innovation in the international Beverages Business.

World class R&D Centre of Excellence, Bengaluru

What it does: Global hub for food and beverage research and development

Focus area: Packaging and product development; Focus on research, analytical and claims

R&D Foods Innocentre, Mumbai

What it does: Innovation across Tata Sampann and Yumside portfolio (RTE and RTC)

Focus area: Culinary development and chef expertise

Process Excellence Centre, Sri City

What it does: Pilot plant capabilities catering to F&B portfolio

Focus area: Establish technology and processes for new categories and scientific simulation studies, etc.



Digitalising the innovation journey

In FY 22-23, Tata Consumer R&D initiated two pilots to leverage AI tools in both the India and International markets. The tools have been used to identify actionable Insights that can help with discovery of trends and with concept testing and eventually generative AI. For example, we were able to map interesting insights on Millets and Cereals as a platform, across various trending product formats. This has been incorporated in our plan for 2023 to leverage the International Year of Millets.

The innovation review management system has also been digitalised where the innovation funnel can be tracked and reviewed effectively. This will further simplify the governance process of innovation in the organisation. Digitalisation has enabled cross functional teams to work more effectively resulting in successful and quicker innovation launches such as – Street Chai range, Makhana and Vitamin Shakti Salt.

Packaging Excellence

"Pack-o-vation" – that's what we call Packaging Innovation at Tata Consumer. We are driving packaging excellence across the foods and beverages portfolio, not just through consumer-facing innovations but also by increasing focus on sustainability in packaging.

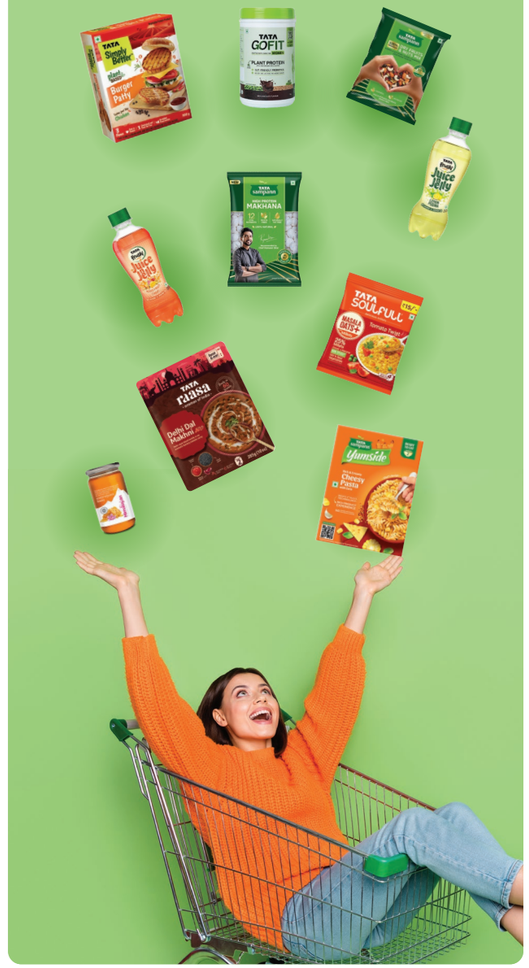
In FY 22-23, Tata Consumer won 12 awards for its packaging designs. This includes the World Star award for our MATS processed tray design. Further, we have won five awards at the Indiastar 2022 awards, for demonstrating excellence in Packaging.

Products which won packaging innovation awards in FY 22-23: The Sonnets range, Tata Tea 1868 range, Tata Sampann Yumside, Himalayan Honey & Preserves, Tata Coffee Gold, Tata Soulfull display hangers.



NEW CATEGORY LAUNCHES

Tata Simply Better | Tata GoFit | Tata Fruski Juice n Jelly | Tata Soulfull Masala Oats + | Tata Sampann Yumside RTE and RTC range | Tata Raasa RTE and RTC range for International markets | Himalayan honey & preserves



Unlock synergies

We continued to drive synergies and simplification across the organisation. During the year, we have progressed restructuring initiatives, enabled faster integration of acquisitions and increased supply chain efficiency.

Streamlining and simplifying the organisation structure

Tata Consumer proposed a merger with Tata Coffee Limited (TCL) in March 2022 with the objective of unlocking synergies and creating a simpler organisational structure. While the plantation business of TCL will be demerged into a wholly-owned subsidiary of Tata Consumer, the coffee extraction business of TCL will be absorbed into Tata Consumer. The coffee extraction and tea extraction businesses will be combined on a common platform.

The restructuring is currently in progress and is expected to be completed in 2023. It is projected to result in significant synergies and efficiencies.

BUILDING A COMMON EXTRACTIONS PLATFORM FOR B2B COFFEE AND TEA BUSINESS



Unlock shared understanding of **running extraction assets and NPD** for delivering superior market value

Bring together a **shared knowledge of global "instant beverages"** market landscape spanning decades

Capitalise on a well built knowledge base of **cross border supply chains, commodity management and logistics** for synergies

Leverage a **strong complementarity of global market presence** between the two current businesses

Integrated and digitalised supply chain

The transformation journey towards an integrated and digitalised supply chain is in progress. Our focus has been to ensure cost-efficient product availability with the end consumer in mind; this was achieved by securing opportunities to digitise essential elements of the value chain, across planning, delivery and other critical elements of the supply chain, resulting in agility, higher customer service metrics and lower costs.

Driving greater operational efficiency in the International Business

We implemented restructuring in various areas of the business to optimise operations and facilitate collaboration, including a US supply chain revamp, a new management hierarchy at our Eaglescliffe production facility in the UK, and the appointment of a CMO (Chief Marketing Officer) to aid with new category development and launch of products. Additionally, financial transactional functions were successfully transferred to the new shared services centre in India.

Sharing knowledge to build expertise

We are applying the knowledge and expertise we have gained in commodity sourcing in our Tea business to our Food business. We took various initiatives during the year to build a more resilient supply chain and bring cost efficiencies in raw-material procurement. These included:

- Expanding and diversifying our sourcing points across the country, giving us more buying options and a lower overall cost
- Increasing the footprint of sourcing locations to lower TDC (Total Delivered Cost)
- Building selective inventories of raw materials at low points in the commodity cycle to move away from replacement purchasing towards a more strategic, forecast-based approach
- Purchasing semi-finished goods when prices and conversion costs are advantageous.

Explore new opportunities

We are continually exploring and evaluating new opportunities to grow organically and inorganically. During the year, we entered new Horizon-3 categories under the protein platform, forayed into new markets and consumer segments for our Sampann, Soulfull and RTE/RTC portfolios. We strengthened our branded coffee portfolio with innovative offerings and expanded Himalayan into a provenance brand.

Following a thorough assessment of several categories against a range of criteria, such as category sizes, growth rates, profitability profile, competitive landscape, synergies with our business and our right to win in these categories, we have identified five F&B platforms where we want to play. This is an important step in our journey to expanding our total addressable market and becoming a formidable FMCG player.

A look at our F&B platforms

CURRENT CORE

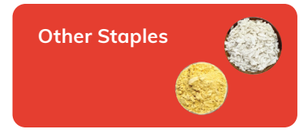






PANTRY PLATFORM









LIQUIDS PLATFORM

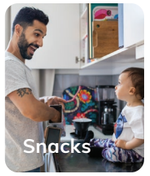




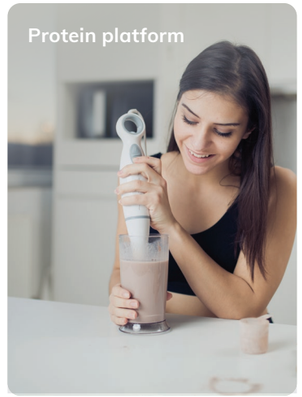
MINI-MEALS PLATFORM







HORIZON 3



Explore new opportunities



Tata Soulfull - 'Taste first, health forward'

In the post-pandemic world, there is growing awareness regarding health and nutrition, consumers are increasingly looking for products that are wholesome and tasty. Tata Soulfull's millet-based portfolio of wholesome, convenient, and tasty products, caters to the entire family's needs across various consumption occasions - breakfast cereals, mini meals and snacking.

Millets sit at the sweet spot of the intersection between sustainability, health and going back to our roots. While millets are ancient grains that have been in use in traditional Indian kitchens for a long time, the key is to give them to consumers in a product form that they can easily integrate into their lifestyles.

We believe millets will gradually evolve to become a mainstream category.

Soulfull's millet-based portfolio of wholesome, convenient, and tasty products, caters to the entire family's needs across various consumption occasions - breakfast cereals, mini meals and snacking.

Also, with 2023 being the 'International Year of Millets,' the awareness for this grain will significantly grow among consumers and millets will start gaining salience as more nutritious grains.

Millets are also planet friendly; they consume less resources than mainstream grains, such as rice and wheat. As context, 1 kg of rice needs 4000 litres of water from the ground. But 1 kg of millets (like Ragi) needs only 400 litres of water from the sky. And with underground water sources depleting quickly, shifting to millets can help with water conservation. It's a better crop to sow in drought-prone areas, too. Also, it's a resilient crop. Insects don't attack it as much and that means it doesn't need pesticides as such. That leads to a healthier crop, too.



MAKING MILLETS MAINSTREAM

We are scaling up Soulfull's market presence by leveraging the power of Tata Consumer's distribution network. Soulfull's reach has increased from c.15,000 outlets at its acquisition to over 4 lakhs outlets. Ragi Bites is among top 5 distributed Tata Consumer brands. To make our products accessible to more consumers, we have launched products at affordable price points. Our Ragi Bites No Maida Choco is a great snacking option in INR 10 pack. The Tata Soufull Masala Oats+ range is available in INR 15 pack.

4 lakhs+ outlets
Tata Soulfull's reach

Ragi Bites
is among top 5 distributed Tata Consumer brands



100%+
Net Revenue Growth in FY 22-23

Masala Oats+ range
available in INR 15 pack



Tata Soulfull participates in Millets and Organics – International Trade Fair 2023 at Bangalore

Our innovative product range now includes a range of muesli options, the most recent of which is our enhanced Millet Muesli with 25% millets, such as Ragi, Bajra and Jowar- a step towards strengthening the health proposition and providing a better taste experience to consumers. Tata Soufull Masala Oats+ range is made with the goodness of wholegrain oats, traditional Indian millets, such as navane and jowar, desi masalas and real vegetables. Since it has 25% millets, this makes it a crunchy, non-sticky product with taste profiles well suited to the Indian palate.

BETTER FOR YOU

- 3X Calcium than Milk
- High in Folic Acid and Zinc
- Low Glycaemic Index

BETTER FOR PLANET

- Millets require c.90% less water than rice
- Minimal fertilisers used
- Boosts biodiversity



INTERNATIONAL YEAR OF MILLETS 2023

BETTER FOR FARMERS

- Grows in dry conditions
- 3x yield potential
- Preserves soil fertility

Explore new opportunities

Tata Sampann – Unlocking opportunity in everyday staples

We are building Tata Sampann as a master brand for everyday staples, a significant growth opportunity with the total estimated market in pulses at ~INR 1,55,000 crores and spices at ~INR 60,000 crores, and miniscule share of organised, branded segment.

In spices category, the most significant launch for us this fiscal was the pure and blended spices in the South market. We customised both the product and the communication to match the market's needs. Other notable introductions during the year included:

- Launched Hing (asafoetida) to drive premiumisation for the portfolio
- Expanded to new and rapidly growing subcategory of multipurpose seasoning with the launch of Chef Style Masala in three flavours – Peri Peri, Tandoori and Mummy's Special
- Tata Sampann Spices entered the South – one of the largest spice markets, with Pure and Blended spices specially curated for South Indian palate for AP, Telangana, and Karnataka markets



MARKETING



Tata Sampann launched a new campaign '*Jaise Nature Ne Banaya*' with Manoj Bajpayee to build awareness about the goodness of unpolished pulses and the promise of Tata Sampann.



Tata Sampann's TVC with Manoj Bajpayee builds awareness about Tata Sampann Haldi, which has essential oils intact and is sourced from the choicest farms to deliver an enhanced food experience.



For Tata Sampann Spices, we launched an ad campaign featuring superstar Priyamani.

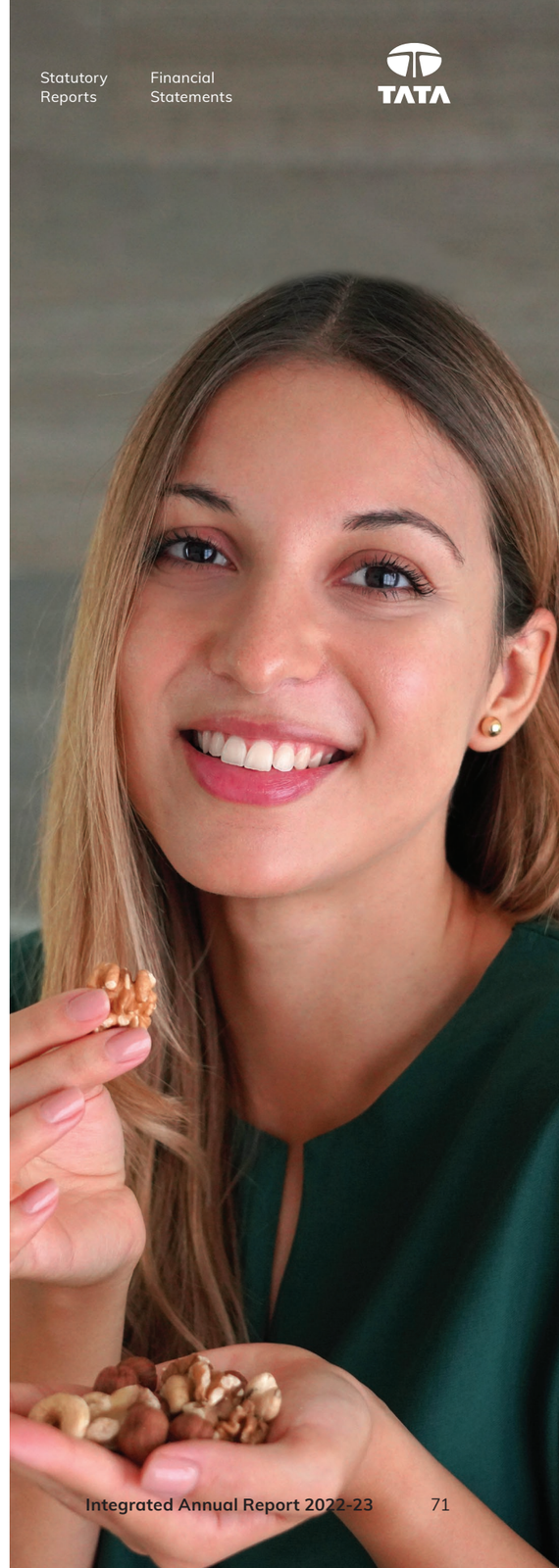


Scaling Dry Fruits

In FY 22-23, we completed one year in the dry fruits category, scaling it up smartly. We also launched new-sized SKUs for almonds, cashews, and raisins to drive higher volumes. Expanding the range, we also added two new products viz. black raisins and dry fruits and nuts mix.

We also introduced assorted gifting packs to make our offering relevant to corporate and festive occasions. We plan to further scale up the portfolio by adding to our existing range of products and entering new channels of distribution.





Explore new opportunities

Unleashing the potential of NourishCo

NourishCo, our liquid Beverages Business, has been on a strong growth trajectory since its acquisition by Tata Consumer in May 2020. The business achieved significant growth in topline, despite the pandemic and the business having high salience in 'Out of Home' channels.

STRATEGIC VISION

This portfolio which is even more relevant in the post COVID world has been deployed across a significantly broader canvas by:

Driving Growth

- Distribution expansion and digitalisation
- Expansion of the distributed manufacturing footprint
- Creation of a bespoke GTM for the premium end represented by Himalayan
- Rapid expansion of the highly relevant Tata Copper+ proposition done in 2021
- Achievement of profitability on Himalayan which has enabled investments for the business
- Strong innovation delivery with launches like Tata Gluco Plus Jelly, Fruski Juice n Jelly, Himalayan Honey and preserves



NourishCo aims at providing the most relevant and meaningful hydration solutions in the non-carbonated, ready-to-drink beverages segment in India, fulfilling consumer need around energy hydration and wellness. The business has built an ambitious pipeline of innovations that will be used to fuel growth and create newer hydration solutions.



KEY HIGHLIGHTS

Growth in topline (INR Crores)

FY 22-23	621
FY 21-22	344
FY 20-21	188

Expansion of distribution coverage to 6.5 lakhs outlets (outlet reach)

FY 22-23	6,52,000
FY 21-22	4,54,069
FY 20-21	2,76,541

2.4x
Retail distribution since FY 20-21

13%
Innovation to Sales, with several category-first innovations

↑ Capacity
Via co-packers in an asset-light model

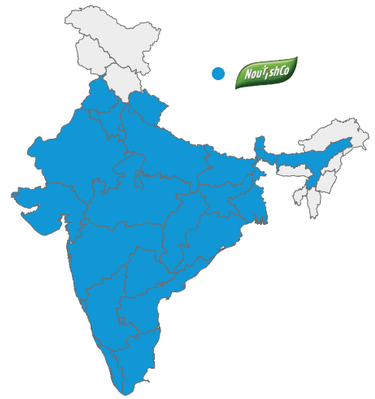
EVOLUTION OF NOURISHCO TO A NATIONAL PLAYER

At the time of acquisition in 2020



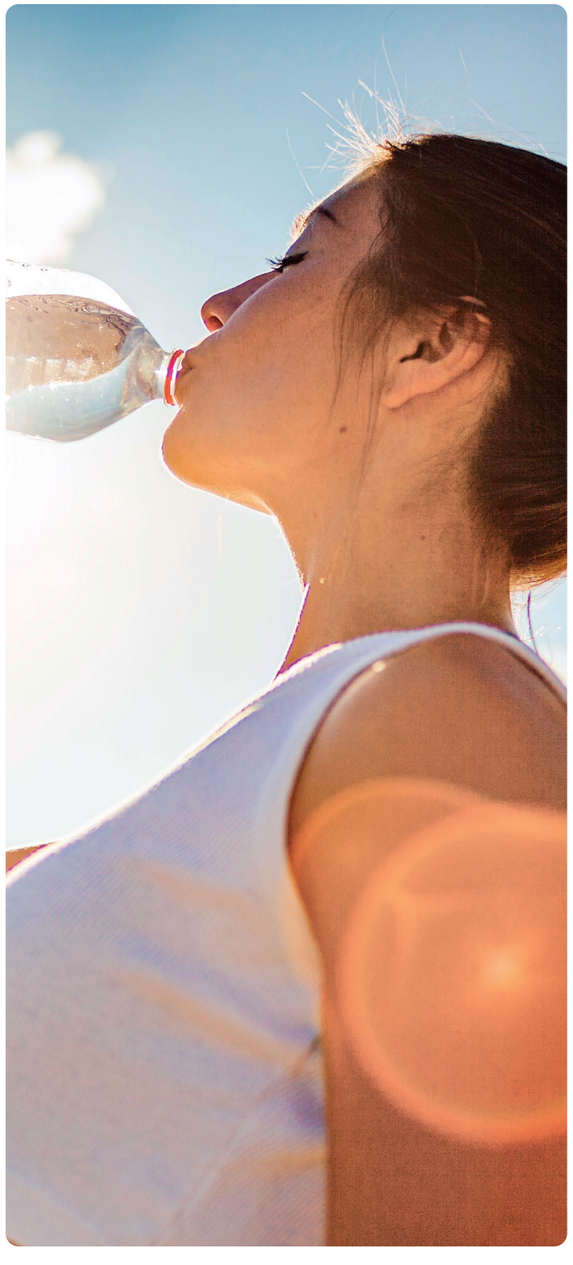
- Geographical presence limited to AP, Telangana, TN and Odisha

By Exit-FY 22-23



- National Manufacturing and Distribution footprint
- Tata Copper+ capacity increased by 8x. Tata Gluco+ capacity increased by 2x

Explore new opportunities



PRODUCT PORTFOLIO

Creating a portfolio to address need gaps.



Tata Copper+

In India, there has always been a strong tradition of drinking water stored in copper vessels. We decided to leverage this insight together with the strong brand equity of 'Tata' to create a differentiated product in Tata Copper+.

Tata Copper+ offers consumers the benefits of age-old wisdom which is conveniently packaged and competitively priced in the market.

7.4X

Growth in net sales in FY 22-23 vs FY 20-21



Tata Gluco+

Tata Gluco+ is a low-cost glucose-based drink that plays at the cusp of the energy and sports segments and is attractively priced at INR 10. It contains electrolytes and iron making it a 'better for you' product. This is packaged in a cup which differentiates the offering while also reducing cost. The cup format and distributed manufacturing represents a differentiated capability for NourishCo.

2.2X

Growth in net sales in FY 22-23 vs FY 20-21



Tata Fruski Juice n Jelly

Juice-based beverages are one of the largest categories in RTD beverages, and we are working to create a winning brand. Inspired by local Indian flavours, we launched Tata Fruski Juice N Jelly - a one-of-its-kind juice-based drink with the added surprise of Jelly, providing a unique taste and feel.



Himalayan

Himalayan has pioneered the creation of the source/natural mineral water market in India and has retained its leadership credentials over the years with packaging innovation and brand building.

We have successfully transformed Himalayan into a multi-category provenance brand with the launch of honey and preserves made with Himalayan origin fruits.

3.3X

Growth in net sales in FY 22-23 vs FY 20-21

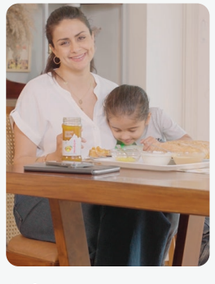
The brand partnered with top celebrities and chefs for **Himalayan Honey and Spreads.**



Malaika Arora



Amrita Raichand



Gul Panag



Sarah Todd



Dia Mirza

Explore new opportunities

Expanding presence in Ready-to-Eat (RTE) and Ready-to-Cook (RTC) products - Tata Sampann Yumside and Tata Raasa

CATERING TO CONSUMERS' NEED FOR CONVENIENT AND WHOLESOME PRODUCTS

In today's fast-paced world, consumers seek quick and convenient, wholesome and tasty meal options. Following the acquisition of Tata SmartFoodz, we revamped the acquired portfolio and rebranded it to 'Tata Sampann Yumside'. Tata Sampann Yumside conveys the brand promise of taste and home-style goodness.

It is the first brand in India that straddles International and Indian cuisines in RTE. We also entered Ready-To-Cook (RTC) gravies and pastes segment with five everyday and exotic offerings. The product range includes RTE International cuisine, biryani and appetisers, an innovative range of RTE Indian Ethnic dishes, and RTC gravies and pastes. Our proprietary MATS technology helps us create products that can be stored at room temperature (ambient supply chain) and also helps preserve the texture of products. Yumside also entered the B2B segment with bulk packs during the year.



Tata Sampann Yumside

16	5	Launched
Ready-to-Eat SKUs	Ready-to-Cook SKUs	In MT, Ecommerce and SAMT Outlets



TARGETING EXPORT MARKET FOR INDIAN READY FOODS SEGMENT

'Tata Raasa' marks the entry of Tata Consumer into the fast-growing Indian Ready Foods segment in the International Markets, where the Company's existing footprint can be leveraged to fuel this business. Inspired by traditional regional recipes from India, Tata Raasa spans the Ethnic Ready-To-Eat and Ready-To-Cook categories, delivering authentic taste with no artificial colours or flavours. It is tailored for local preferences in markets like the USA and the UK.

Tata Raasa

5	4	Launched
Ready-to-Eat SKUs	Ready-to-Cook SKUs	In USA and UK in the ethnic channel

Expanding the total addressable market

ENTRY INTO PROTEIN PLATFORM- TATA SIMPLY BETTER AND TATA GOFIT

The entry into the protein platform aligns with our focus on expanding our total addressable market. In FY 22-23, we launched two brands under our protein platform i.e., Tata Simply Better in the alternate meat category and Tata GoFit in plant-based supplements. We plan to expand the protein portfolio, moving forward.

Plant-based meats are at the forefront of the broader plant protein landscape, aimed at replicating animal-derived meat's sensory and cultural resonance, but without the associated implications for the environment and health. Tata Simply Better is targeting consumers, who are looking to incorporate more plant-based ingredients and it has both - the requisite protein content and the taste and texture of actual meat, making it a winning proposition for consumers.

HORIZON 3 - PROTEIN PLATFORM

Globally, Plant-Based Meat (PBM)/Alt protein is a big trend with the market expected to reach **USD 25 Bn** by 2030[1]

It is also a growing opportunity in India with the market expected to reach **USD 300-500 Mn** by 2025[2]

Globally 3 considerations are driving the purchase of PBM among consumers

- Health
- Sustainability
- Animal welfare

While it is a nascent category in India, the target consumer base is large

50%+ of population in the age bracket of 15-49 years is digitally connected with global trends and looking to improve their lifestyle

70%+ of the Indian population is flexitarian

A 2017 survey shows that **73%** of Indians are deficient in protein[3]



[1] Grand View Research, PBM Market Analysis Report
[2] Internal and external estimates
[3] Observer Research Foundation

Explore new opportunities

We have also launched Tata GoFit, a plant protein powder, a health supplement range for women on their journey to be fitter every day. Tata GoFit plant protein powder is a plant-based easy-to-mix product formulated with gut-friendly probiotics. With ingredients like pea and brown rice, it is free from soy, lactose and added sugar.



EXPANDING OUR PROTEIN PLATFORM

The Indian protein supplement market was estimated at **INR 2,000 Cr** in 2021[1]

It is expected to grow at a CAGR of ~18% over 2022-27, reaching **INR 5,000 Cr** by 2027[1]

The plant-based protein supplement market growth is being driven by 3 key factors:

- **Growing interest in 'feel-good' fitness beyond physicality**
- **Active search for more 'natural' alternatives**
- **Increase in understanding of nutraceuticals**

The category is on a structural uptrend enabled by digital

50%+ of the population in the age bracket of 15-49 years is digitally connected with global trends and looking to improve their lifestyle[3]

A 2017 survey shows that **73%** of Indians are deficient in protein[2]

~40%+ of the category sells digitally on marketplaces, D2C sites and health stores[1]

[1]Marc Analysis, February 2022
[2]Observer Research Foundation
[3] Internal and external estimates

Tata Starbucks – Scaling up post COVID

Our out-of-home business, Tata Starbucks has seen strong growth in the past year. Post the pandemic and the easing of restrictions, it has seen a strong revival with the highest ever store openings during the year. During FY 22-23, we launched 71 stores in 15 cities including tier 2 cities.

In its decade-long journey in India, Tata Starbucks has come a long way—covering over 41 cities with over 333 stores. Same-store sales have surpassed pre-COVID levels. As Tata Starbucks looks at rapid expansion in the Indian market in the coming years, the endeavour is to enhance relevance for an increasing range of consumer segments. To achieve this, a pilot programme was run in 2022 in 4 cities across India with the objectives to:

- Drive familiarity among consumer segments
- Create more occasions for consumers to visit Tata Starbucks
- Grow consideration set for a different type of consumer

As part of this pilot, we introduced new products in beverage category, including filter coffee, masala chai (spiced tea), elaichi chai (cardamom tea) and three flavours of milkshakes (chocolate, vanilla and strawberry). Another key aspect was introducing a new size— 'picco' (6oz) — in the hot beverages segment. 'Picco' is a global first to be launched in India. In addition, we revamped the food menu by introducing freshly assembled sandwiches, and shareable and bite-sized items whilst also changing the store décor. With the pilot's success, these initiatives will be rolled out in additional stores this year.

333
Stores

41
Cities

71
New stores opened in FY23 – highest ever annual addition since inception

INR 1,087 Cr
Net Sales FY 22-23





First Tata Starbucks Reserve store in India

We launched the first Tata Starbucks Reserve store in India at our Flagship Mumbai location to showcase the story of our coffee and the craft of our baristas for a unique customer experience. The store serves a wide range of premium coffees, including small batch and single-origin, alongside a specially-curated food menu .

2.3 Mn
Starbucks® Rewards loyalty programme

40.3%
Gender diversity

20
All-women stores

Starbucks X Sabyasachi

Tata Starbucks partnered with the celebrated Indian designer and couturier, Sabyasachi Mukherjee, for a limited-edition collection, available exclusively in India. It featured a range of lifestyle drinkware including ceramic mugs and stainless-steel tumblers.

Vegan Food Menu

Tata Starbucks launched a Vegan Menu in India for the first time, which provided vegan options for customers, in addition to Starbucks' existing beverage customisation options with plant-based dairy alternatives such as almond, oat and soy.

Create a future-ready organisation

At Tata Consumer, we understand that leveraging the diversity of our employees, investing in their capabilities, and creating a culture that promotes a growth mindset are critical to achieving our aspiration of becoming a premier FMCG organisation.

Throughout the year, we have implemented various initiatives to support these areas. We have invested in employee learning and development programmes to build capabilities, identified, and developed our key talent, focused on a fair distribution of rewards, and strengthened our entry-level hiring programmes.

We also continued to focus on improving women's representation in our India Business, sensitising employees, and investing in policies and infrastructure to support a diverse workforce. We continued to celebrate and recognise exceptional work by our employees and reported stable employee engagement scores this year.

We believe our continued investment in these areas will benefit our employees and positively impact our stakeholders and shareholders. We are committed to creating a workplace, where all employees feel valued, included, and supported in their personal and professional growth. Through our ongoing efforts in these areas, we hope to create a culture of excellence for the long-term.

Diversity and inclusion (D&I)

Our D&I vision is to attract, retain and advance diverse talent and leverage the diversity of perspectives to innovate and grow as an organisation. To this end, our DEI framework (Diversity, Equity, Inclusion) framework encompasses four key elements:

- Strengthening the culture of inclusion;
- Improving infrastructure, policies, and processes;
- Continuous communication; and
- Enhancing the representation of women in our workforce.

Our India Marketing Teams, Global Research and Development, and the International Business are gender balanced. They reflect the diversity of the millions of consumers we serve every day.

KEY INITIATIVES DURING THE YEAR



Global Women's Inclusion Network (WIN)

We launched a women's network sponsored by the CEO with senior women leaders as advisors and mentors. The network held 2 global and 2 regional events, provided a platform for group mentoring, and created opportunities for women to learn from one another. It is the first-of-its-kind Employee Resource Group at Tata Consumer. We will continue to strengthen our efforts in engaging our women talent through this network.

Policies and infrastructure

We now provide on-site/near-site day-care centres at our office locations in India. We also introduced a safety policy for women, a parental support programme, and medical insurance for partners of LGBTQ+ employees, amongst others, enabling a diverse workforce to thrive at Tata Consumer.

Sensitising employees

We helped managers reflect upon their biases and understand inclusive behaviours. We also sensitised employees about various strands of diversity like gender, including LGBTQ+. We built the capability of over 30 HR Business Partners and Talent Acquisition professionals to identify bias hotspots in the hiring process and define ways to mitigate them.

These efforts have helped us stay focused on inclusion, while improving women's representation in our workforce.

Create a future-ready organisation



Hiring the right way

Having the right people in the right roles is essential for any future-ready organisation, and for a growing Company like ours. We take a proactive approach to capacity and capability building, keeping in mind consumer needs and the operating landscape, while staying focused on creating a diverse workforce.

To achieve a balanced mix of internal and external talent, we assess our internal capabilities through multiple interventions that align with our Talent Management Framework.

Our focus is on developing our internal talent, and we create a workforce plan based on our organisational needs and existing internal talent to fill critical roles. For any areas where we may lack internal talent, we look at external sources to fill those gaps. Currently, 31% of all vacant positions have been filled with internal talent.

31%

Vacant positions filled with internal talent

Investing in young talent

We are committed to expanding our young talent pool through targeted hiring initiatives.

Our **Emerging Leaders Plus (ELP)** Programme brings in the most promising postgraduates from renowned business schools and equips them with the necessary skills and experiences for management roles. **CAnvas** is our Finance Trainee programme that provides young Chartered accountants the opportunity to gain hands-on experience and prepare for future finance leadership roles. The Future **CSMO (Commodity Sourcing & Management Organisation) Leader** Programme gives recent graduates a solid foundation to build their careers with us.

These programmes strengthen our organisation and lay the foundation for a vibrant and sustainable future by investing in young talent.

27%

Women hired in the ELP programme

Bolstering collaborations, enhancing capabilities

PROJECT ELEVATE

To address organisational challenges, we devised a learning programme called **Project Elevate.** It brings together employees from different areas of the business and hierarchical levels to collaborate to achieve Company goals. It focuses specifically on the following areas:

- Enabling a more efficient pathway for New Product Development to help achieve innovation goals
- Equipping leaders with digital acumen so they can be internal catalysts of change
- Honing problem-solving capabilities in relevant roles
- Fostering a culture of commercial acumen Company-wide



Learning and development



LEADERSHIP VOYAGE

Leadership Voyage is our flagship programme based on Tata Consumer's six strategic pillars. It has been running successfully across India in collaboration with SDA Bocconi School of Management, Italy and Tata Management Training Centre, Pune, to develop identified high-potential employees. The programme has now been launched for our International Businesses.

SOAR (MANAGER CAPABILITY DEVELOPMENT PROGRAMME)

In line with the organisation's focus on building an engaged and high-performing talent pool, the SOAR programme has been revamped from a self-paced format to a blended format with experts facilitating the learning through various tools to equip managers to lead effectively.

PACE (PROPEL WITH AGILITY AND COMMERCIAL ACUMEN)

The primary objective of the PACE programme is to cultivate agility and commercial acumen among sales staff by honing their ability to accurately diagnose the underlying causes of issues and provide effective solutions.

Create a future-ready organisation

Measuring employee engagement

TATA CONSUMER PRODUCTS InterACTIONS FOR BETTER

InterACTIONS is our six-monthly employee engagement survey that provides valuable insights for driving action plans at both organisational and managerial levels. Through this survey, we gather critical feedback from our employees to identify areas for improving Tata Consumer's culture and building managerial capability which enables development and retention of talent.

We use the survey results to develop action plans that address critical issues and support ongoing efforts to boost employee engagement. Our commitment to regularly conducting InterACTIONS ensures that we remain attuned to the needs and expectations of our employees.

73

Overall engagement score

Recognising excellence

We continue to reward and recognise excellence, the personification of the Company's values, and innovation through our organisation-wide and functional recognition programmes.

This year, we introduced the Hall of Fame, our Annual Awards Programme that recognises and rewards teams for their high-impact work and contribution to our growth story. This reaffirms our commitment to recognising cross-functional collaboration that leads to high-impact results across the various parts of our business.

We are committed to recognising cross-functional collaboration that leads to high-impact results across the various parts of our business.



Focus on holistic wellbeing

During the year, we conducted several wellness webinars focused on mental, emotional, physical, and financial health

We partnered with HealthifyMe to focus on holistic wellbeing through a gamified 8-week health challenge

Continued to partner with YourDOST to provide counseling services to employees and their four dependents

International Business

As part of talent management, we continued to enhance our talent mapping programme by delivering focused training for senior leaders and sharing knowledge across the organisation through secondment placements.

Key leaders from the International Business were taken through a leadership strategy programme to drive collaborative working and a growth mindset.

Initiatives to foster greater collaboration and inter-team effectiveness received greater focus, with sessions on 'ways of working' to support the Field Sales/Trade Marketing/Marketing team in the US.

Embed sustainability

Acting responsibly towards all our stakeholders underpins the way we do business at Tata Consumer. Our ESG strategy 'For Better Living' embodies this spirit and guides our efforts towards better living for our consumers, employees, investors, and value chain partners.

Approach to ESG strategy

To deliver on this commitment, an approach comprising four pillars has been adopted.

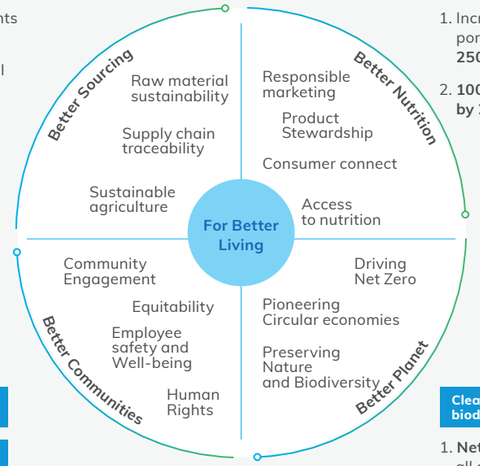
TO BECOME A RESPONSIBLE FMCG LEADER

Sustainable value chains from farm to shelf

1. **100%** Critical Supplier assessments across all geographies **by 2030**
2. **100%** Sustainably sourced critical raw materials **by 2040**

Improved access to healthy, natural and safe food for all

1. Increasing the reach of our product portfolio from **200 Mn** households to **250 Mn by 2030**
2. **100%** Sustainable products by volume **by 2040**



Enhance the quality of life, creating shared value for our communities

Foster an equitable, inclusive and safe working culture

1. **2 Mn** beneficiaries **by 2030**
2. **50%** diverse workforce across all geographies **by 2030**

Better Conversations

Corporate Governance

Clean energy, replenished water, preserved biodiversity, pioneered circular economy

1. **Net Zero by 2040** across all geographies
2. **Water neutral** across all operations **by 2030**
3. **Zero waste** to landfill **by 2030** across all geographies
4. **100%** of packaging material to be recyclable, compostable or reusable across all geographies **by 2030**

Our ESG strategy furthers Tata Group's unified sustainability vision via ***'Project Aalingana'*** – which lays out the Group's strategy for a greener, cleaner, more sustainable, and equitable future for the planet.

Our sustainability strategy is the outcome of a rigorous exercise that included an analysis of industry trends, and a robust assessment of issues that are material to our business and stakeholders. This was combined with directions from established global and Indian sustainability standards.

We are optimistic about accomplishing our sustainability goals by routing them through the four pillars of **better sourcing, better planet, better communities, and better nutrition.** While endeavouring to achieve our goals, we will ensure effective communication on the progress we are making in addition to adhering to our alignment with *Project Aalingana*.

Embed sustainability



Better sourcing

SDGs impacted

For us, product sustainability is of paramount importance and we pursue it across our business life-cycle stages–starting from sourcing. Our sourcing strategy stresses on adopting responsible procuring practices. We are the founding members of the 'trustea' initiative in India, which is a sustainability code and verification system for the Indian tea sector. 55% of tea that we source in India is trustea certified.

We partner with the Rainforest Alliance (RA) for our international markets; 100% of Tetley tea in our international markets is RA certified. We are also founding members of the Ethical Tea Partnership (ETP) in UK, which is a non-commercial partnership of tea companies committed to improving the lives of tea workers and their environment.

Read more on **page 94**



Better planet

SDGs impacted

We are continuously striving to mitigate the impacts of climate change. We have embedded sustainability practices into our operations, while also putting into place a robust risk management process. This process helps identify climate-related risks and opportunities, in addition to mitigation actions. We are committed to achieving operational efficiencies and cost savings, building resilient supply chains, and creating long-term value creation for all stakeholders. We have made a commitment of reaching Net Zero across our global operations by 2040.

We aim to transition from linear to circular business models—be it packaging, waste, or water management. Our R&D function is focused on making packaging more sustainable by incorporating practices pertaining to weight reduction, optimisation, and switching to sustainable alternatives.

We are a founding member of the India Plastics Pact and are also a member of the UK Plastics Pact and the Europe Plastics Pact. Through such forums, we act collaboratively with regulators, peers, and other stakeholders towards limiting the impact of plastics and packaging on the planet.

Prevention of biodiversity loss was a point of major deliberations in the UN's Conference of Parties meeting in 2022 (COP 27, hosted by Egypt). Although Tata Consumer's operations do not pose any material risks to biodiversity directly, we have been investing our efforts towards making a positive impact on conserving nature. Our current efforts in this direction focus on the conservation of biodiversity hotspots and forests including, guarding forest areas and preventing human encroachment.

Read more on **page 102**



Better communities

SDGs impacted

Taking into consideration the welfare of the communities around our operational areas is imperative for us. In keeping with this thought, we undertake socially relevant projects that create a lasting positive impact.

This sense of responsibility also drives our engagement with employees, further manifesting across issues pertaining to health and safety, employee diversity, and equal opportunity.

Read more on **page 110**



Better nutrition

SDGs impacted

In keeping with our aim of helping our consumers make healthier choices, we have strengthened our focus on the health and wellness portfolio. During the year, we launched a number of new products based on the global key consumer trends across health and wellness.

Our aim is to have 100% sustainable products by volume by 2040 and to increase consumer awareness about the nutritional contents of our products.

Read more on **page 118**

For detailed ESG disclosures, please refer to the Business Responsibility and Sustainability Report (BRSR).

ALIGNMENT WITH THE UN SUSTAINABLE DEVELOPMENT GOALS (SDGS)

As a responsible global FMCG Company whose products are consumed by millions of consumers every day, it is essential for us to align with emerging global trends. In line with this philosophy, our ESG strategy aligns with the ESG priorities highlighted by the UNSDGs.

These SDGs offer corporates a comprehensive framework to commit to sustainability goals that are in sync with their business objectives, while also addressing needs of all major stakeholder groups.

SUSTAINABILITY

Better future for everyone

With the goal of delivering long-term sustainable growth, we are committed to embedding integrated thinking across our entire business. By building a sustainable business model, we are striving to create a better future for everyone.

ESG governance

Read more on **page 92**

For Better Sourcing

Read more on **page 94**

For a Better Planet

Read more on **page 102**

For Better Communities

Read more on **see page 110**

For Better Nutrition

Read more on **see page 118**

ESG governance

Operating sustainably and responsibly

Our ESG strategy reflects our sustainability commitments and ambitions. It ensures we conduct our business responsibly and ethically, while focusing on stakeholder interests.

The Tata Code of Conduct is the cornerstone of our approach to governance. Learnings from international best practices are also incorporated in our governance philosophies, which are directed towards achieving the Company's growth objectives and vision. Our governance framework takes into consideration the interests of all stakeholder groups and is the foundation for our corporate strategy, environmental consciousness, ethical business practices and interactions, and management of risk.

ESG governance at Tata Consumer is overseen by the Board's CSR and Sustainability Committee, while a Steering Committee oversees the implementation of our sustainability strategy by way of CSR and sustainability initiatives across locations and business units. The Steering Committee is also responsible for identifying opportunities for new initiatives and risk management, while making necessary resources available for driving sustainability-related initiatives.

Our governance framework takes into consideration the interests of all stakeholder groups and is the foundation for our corporate strategy, environmental consciousness, ethical business practices and interactions, and management of risk.

Our well-defined ESG governance structure determines the nature, scope and priorities of our sustainability agenda (based on the ESG strategy) for allocation of resources and funds, as well as measurement, reporting, and time frames for projects and initiatives.

The ESG governance structure also comprises working groups, each broadly aligning with a pillar of our sustainability strategy, such as the Human Rights Committee. The members of these Groups are drawn from the Company's different functions.



The composition and responsibilities of the different tiers of our ESG governance structure are shown in the table below.

COMMITTEE	RESPONSIBILITES	MEMBERS + FUNCTIONS	PERIODICITY OF MEETINGS
CSR and Sustainability Committee	To establish a monitoring process to ensure that Company actions are aligned with stakeholders' interests.	Non-Executive, Independent Directors	Bi-annual
Sustainability Steering Committee	Core committee that plans and monitors the execution of the sustainability strategy.	Executive Director and Group CFO, CHRO, COO, Head of Sustainability	Quarterly
Nutrition Committee	To monitor the nutritional impact of our products on the consumers.	Senior representatives from Marketing and R&D	Quarterly
Business and Human Rights Committee	Ensure adherence to Tata Guidelines on Business and Human Rights and Modern Slavery Statement to promote employee welfare.	Senior representatives from Sustainability, Legal and Compliance, Procurement, Operations/ Logistics, Sourcing, and Employee Engagement	Quarterly
Sustainable Operations Committee	Establishes Working Groups for sustainability projects and monitors their progress.	Senior representatives from Operations, HR, Environment, Health, and Safety (EHS)	Quarterly

Tata Consumer's Internal Audit and Risks team also plays an important part in our ESG agenda. This function oversees the Company's risk management process, which comprehensively incorporates ESG risks into the organisational risk matrix. Suitable mitigation action is then identified, implemented and residual risk is brought down to an acceptable level and maintained with the help of continuous monitoring.

TATA CONSUMER PRODUCTS

For Better Sourcing

SDGs IMPACTED





Sustainability at the source

Our strategy includes initiatives focused on raw-material sustainability, supply-chain traceability, and sustainable agriculture programmes.

PERFORMANCE HIGHLIGHTS

871 Mn kg
Of tea sustainably transformed through trustea till date

55%
Of Tata Tea is trustea-certified in FY 22-23

VISION

Sustainable value chains from farm to shelf.

TARGETS

100%
Critical supplier assessments across all geographies by 2030

100%
Sustainably sourced critical raw materials by 2040

Stakeholders impacted

CONSUMERS

World-over, consumer awareness is on the rise, and there is increasing demand for sustainability attributes, including nutrition and wellness, ethical sourcing, quality, taste, and sustainable packaging. For FMCG companies such as Tata Consumer, consumer focus is on ingredients and packaging materials. We accord priority to traceability and sustainability of raw materials, sustainable agriculture and responsible sourcing and disseminate information that is of interest to consumers through multiple channels.

Modes of engagement

Consumer Surveys

VALUE CHAIN PARTNERS

The recent disruptions in global supply chains have highlighted the importance of trust, mutual benefit, and values-based relationships between corporations and their supply chain partners. Our Sustainable Relationship Management Programme helps recognise vendors for contributing to our sustainability goals and strengthens long- term relationships based on shared values. We also collaborate for greater efficiencies, formulate fair contract and payment terms, identify risks and develop plans to mitigate them.

Modes of engagement

Interaction with team members

For Better Sourcing

Material issues

VALUE CHAIN MANAGEMENT

(Dealers, Retailers, Suppliers, Farmer connect)
The long-term relationships we build with our ingredients and raw material, packaging, logistics, and other suppliers are critical to ensuring business continuity. Our vast and expansive network of distributors and retailers help us serve the needs of millions of consumers on a daily basis. This has helped us increase our market presence in semi-urban and rural areas and has also effectively helped us tackle the issue of counterfeit products.

RESPONSIBLE SOURCING

Our commitment to responsible sourcing addresses growing market demands for ethical and sustainable products and strengthens our credentials as a sustainable organisation. Our partnerships with trustea and Rainforest Alliance ensure that most of our tea is sustainably sourced, i.e. verified by trustea or Rainforest Alliance certified. In addition, more than 85% of the salt we offer in the market is sourced from Tata Chemicals, which is aligned to Tata Group's sustainability commitments.

HUMAN RIGHTS

By upholding human rights in the value chain, we ensure that the procurement of raw materials and other services is supported by sustainable people practices. Our Supplier Code of Conduct, details our position and expectations on human rights and is based on SA 8000 (Social Accountability) standards. A comprehensive training programme on human rights is currently being developed by the Tata Sustainability Group. Going forward, we would align to this training programme once it is rolled out.

PRESERVING NATURE AND BIODIVERSITY

Our efforts to preserve natural resources such as water and soil and promotion of biodiversity play an important role in encouraging sustainable agricultural practices; this delivers higher yields to the growers/ farmers and better-quality raw materials to us. Through our partnerships with trustea and Rainforest Alliance, we are able to promote soil health, ensure that our growers minimise chemical inputs in their agriculture practices and respect the interplay between people and the natural environment in their surroundings.

Highlights FY 22-23

100%
Of Tetley tea in International Business is Rainforest Alliance certified

CLIMATE PLEDGE FRIENDLY

Tetley UK and USA recognised by Amazon Climate Pledge Friendly, to highlight products that meet sustainability standards and help preserve the natural world.



Performance update

While we have already made significant progress in some product categories (e.g. tea), we are working to replicate this success across other categories too.

Our supply partners have operations that conform to standards we have agreed on for social and working conditions, safety and environmental requirements, and agricultural practices. Vendors are being given periodic training on Tata Code of Conduct (TCoC) values and objectives, Anti-Bribery and Anti-Corruption (ABAC) policy guidelines and thresholds, sample scenarios with consequences and grievance management process.

We updated our Supplier Code of Conduct in FY 21-22 and enhanced focus on ESG parameters, namely Human Rights, Workplace, and Labour Standard; Anti-Bribery and Anti-Corruption; Data Protection, Information Security, Intellectual property rights; and Management Systems.

Currently we have 684 vendors of whom over 250 are local, ensuring that we promote local employment and reduce our carbon footprint from the supply chain.

To better engage with our packaging material suppliers, we have developed a Supplier Relationship Management (SRM) programme which is conducted twice a year for all our primary packaging vendors.

Sustainable packaging footprint

All our critical primary packaging material suppliers adhere to sustainability requirements in terms of supplying food-grade compliant packing material as well as continuity and capability for meeting our needs. 98.5% of our procurement spend on primary packaging material takes place in India.

The SRM process has been developed with the objective of better cost management, better governance, driving innovation, and better performance visibility and service levels. In this process, suppliers are scored based on key performance indicators, each with its own weightage: cost (15%); service (30%); quality and capability (30%), innovation and ethical supply (25%). A total of 34 suppliers across various packaging categories have been included in the SRM in FY 22-23.

34
No. of suppliers included in Supplier Relationship Management programme in FY 22-23

For Better Sourcing



Tea, coffee, and salt are key raw materials given their salience in our business, and we place high priority on sourcing these sustainably. Sustainable agriculture lends to higher yields and productivity and encourages the socio-economic development of surrounding communities. Our participation in the trustea programme and Rainforest Alliance enables environmental protection and improved livelihoods for tea growing communities. This is made possible by educating them about:

- The Plant Protection Code which requires the use of approved chemicals and fertilisers only
- Ensuring safety by using personal protection equipment (PPE) and maintaining hygiene in fertiliser application process
- Environmental aspects such as the impact of deforestation and biodiversity loss
- Preventing soil erosion
- Equal wages for equal work

trustea also trains growers on managing their farm activities with respect to updating input details as well as plucking/harvesting details into a digitised system.

We place emphasis on sourcing key raw materials sustainably. Sustainable agriculture lends to higher yields and productivity and encourages the socio-economic development of surrounding communities.

TRUSTEA

trustea, an ISO 9001:2015 certified organisation and member of the ISEAL* framework, drives sustainable agriculture that benefits both the planet and the farmers. The programme has been recognised as the world's largest sustainable agri-certification initiative and is well on its way to transforming the Indian tea industry.

It has facilitated a better working environment for women (maternity benefits, crèche facility, etc.), market access and better prices for small tea growers, as well as a structured grievance redressal system, better housing, potable drinking water, and a uniform wage payment system for tea workers.

The trustea programme has cumulatively verified more than 871 million kg of tea till March 2023, which is over 65% of tea sold in the Indian market. Since inception, about 1,10,085 small tea growers have been verified, 6.6 lakhs workers have been reached through trustea and 55% of Tata tea is trustea verified.

* (ISEAL members are sustainability systems and accreditation bodies dedicated to delivering benefits for people and planet)

RAINFOREST ALLIANCE

The Rainforest Alliance aims to conserve biodiversity and to support sustainable livelihoods. The Alliance is working with renewed focus on climate resilience, cultivating rural prosperity, protecting forests and biodiversity, and advancing human rights.

100%

Of Tetley Tea in our International Business is Rainforest-Alliance certified

ETHICAL TEA PARTNERSHIP

The Ethical Tea Partnership (ETP) is a membership organisation working with tea companies, development organisations and governments to improve the lives of tea workers, farmers and their environment. Its aim is to drive long-term, systemic change across three thematic areas in tea–economics, equality and environment as well as supporting communities on the ground with programmes across Africa and Asia. As one of the founding members we have worked closely with the organisation for many years.

We are an SA 8000 (Social Accountability) certified Company. We also expect our vendors to adhere to the principles and practices of the SA 8000 standards which includes requirements related to child labour, forced labour, health and safety, freedom of association and right to collective bargaining, discrimination, disciplinary practices, working hours, remuneration, and management systems.

Supporting tea communities in India - trustea

trustea aims to create a network of verified, sustainable tea producers who adhere to well-established, sustainable tea farming practices. The programme has been built on three pillars namely–environment, safety, and livelihood–thereby complying to Indian regulations and globally accepted sustainability principles.

Through trustea, we leverage scale of production, processing, technologies, supply-chain development, market access, and regulatory compliance to support the smallholders, tea estates and Bought Leaf Factories (BLF).

Certified producers are encouraged to move towards judicious use of agro-chemicals and fertilisers, thereby increasing the use of biological formulations and traditional knowledge-based solutions with an Integrated Pest Management Plan (IPM). trustea promotes the protection of biodiversity.

The trustea Code facilitates Plant Protection Code (PPC) and FSSAI-compliant tea cultivation that helps eliminate dangerous agro-chemicals from entering the Indian tea production ecosystem. Furthermore, plantation workers are also given extensive training on handling approved chemicals and fertilisers and use of safety equipment for the same.

The holistic approach of the trustea programme creates a harmonious coexistence of tea farms, local communities and the environment, thus creating sustained, positive value for all stakeholders.

14 hectares

Natural forest afforestation and growth promoted in the last two years

For Better Sourcing

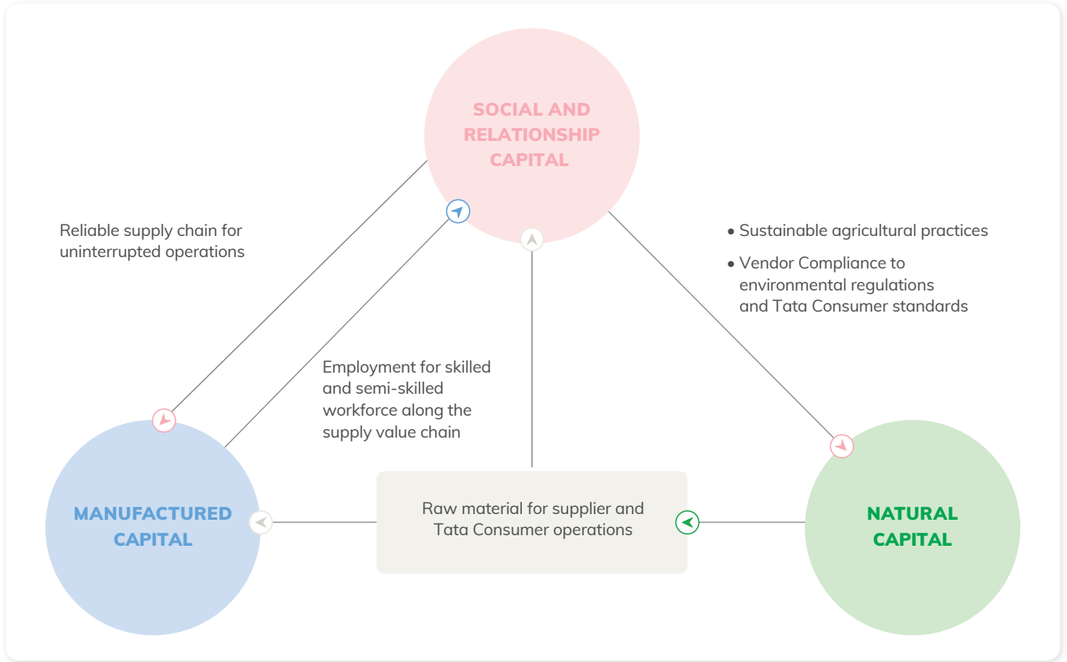
Quality management

High quality products and trust in our brands have helped us achieve and retain leadership position across portfolio categories. All our products are manufactured and packed in state-of-the-art facilities that comply and go beyond global food safety standards and regulations. Continuous quality improvement initiatives right from the stage of sourcing help us maintain quality that is appreciated by our consumers.

Our blending facility in Kolkata is the largest such facility in Asia and is illuminated by 100% natural lighting.



Interplay of capitals



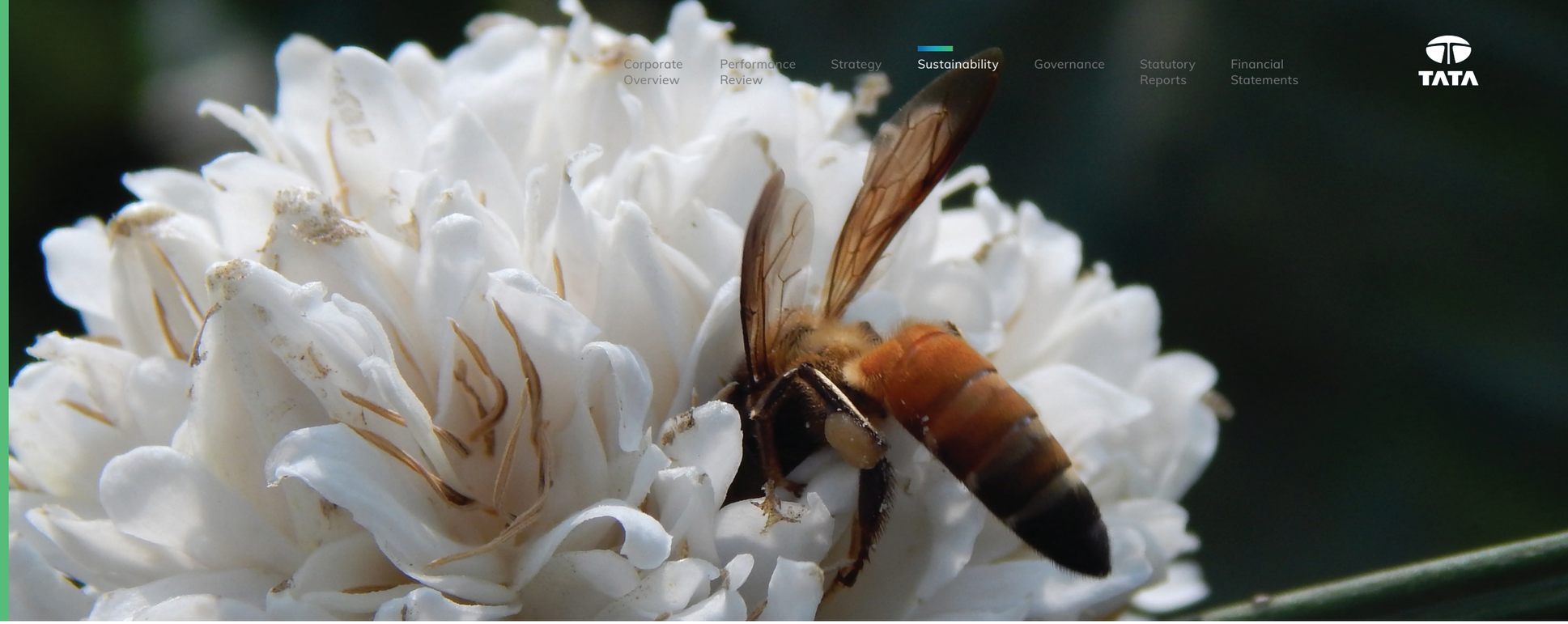
Our supply partners have operations that conform to standards we have agreed on for social and working conditions, safety and environmental requirements, and agricultural practices. Currently we have 684 vendors of whom over 250 are local, ensuring that we promote local employment and reduce our carbon footprint from the supply chain.



For a Better Planet

SDGS IMPACTED





Conserving natural resources, protecting ecosystems

Although our direct material impact may be limited, we recognise the significance of conserving nature and protecting the planet. Hence, we are doing our bit.

PERFORMANCE HIGHLIGHTS

18%
Decrease in Scope 1+2 emissions between 2010 and 2022

73%
Of Tata Consumer Beverage units in India are ISO 14001 certified.

19%
Of current energy needs met by renewable energy.

VISION

Clean energy, replenished water, preserved biodiversity, pioneered-circular economy

TARGETS

Net Zero
By 2040 across all geographies

Water-neutral
Across all operations by 2030

Zero waste to landfill
By 2030 across all geographies

100%
Of packaging material to be recyclable, compostable, or reusable across all geographies by 2030

Stakeholders impacted

COMMUNITIES

Through Project Jalodari - our flagship community water-management programme, we aim to provide a sustainable water source, raise awareness, and build capacities around water and sanitation in the communities where we operate. This multisectoral intervention integrates water and food security, sustainable agriculture, sustainable forestry, and renewable energy into the developmental paradigm of the community.

We are currently partnering with Tata Trusts and Tata Water Mission on Water and Sanitation (WASH) projects in Himachal Pradesh and Assam that impact over 25,000 community members.

Modes of engagement

Regular interaction with Tata Consumer CSR teams and impact assessments

ENVIRONMENT AND ECOSYSTEM

Human activity is inextricably linked to nature. We are mindful of the interplay between different elements that comprise the ecosystem and ensure that our operations do not disturb this balance significantly. We are cognisant of the potential implications of climate change and are committed to responsible utilisation of natural resources such as energy, water, and land, among others.

Modes of engagement

Environmental initiatives, including energy efficiency, renewable energy, water

For a Better Planet

Material issues

The material issues identified in the 'For a Better Planet' pillar are aligned with the objectives of Tata Group's Project Aalingana.

DRIVING NET ZERO

Towards achieving our goal of lowering emissions and reaching Net Zero, we place emphasis on enhancing energy efficiency and increasing the share of renewable energy in our energy mix.

PRESERVING NATURE AND BIODIVERSITY

We strive to make a positive difference on the natural ecosystems where we operate. Therefore, we are developing a strategy that aligns with nature-based solutions, which will enable us to make meaningful contributions in this direction.

CIRCULAR ECONOMY

Transitioning to a circular economy is critical to fulfilling our commitment to efficient resource use. We ensure our packaging is fit-for-purpose and has low environmental impact throughout its life cycle.

Highlights FY 22-23

GENERAL

18%
Carbon footprint decreased from 2010-22 through Decarbonisation Roadmap

19%
Of our current energy needs are met through Renewable Energy

6 MW
Installed capacity of rooftop Solar panels as of March 2023

WATER MANAGEMENT

314 Mn
Litres of water recharged

Accessibility
Clean drinking water provided to all workers and employees on site

Water Efficient Crops
Pulses and millets require less water and are high in nutritional value

WASTE MANAGEMENT

68%
Recyclable laminates used in salt packaging

Zero Waste
To landfill from all our beverages factories worldwide

Segregation and Storage
As per pollution control board norms

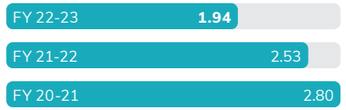
Food Waste Managed
Food waste sent to local piggeries or is collected by municipal bodies

100%
EPR compliance in India

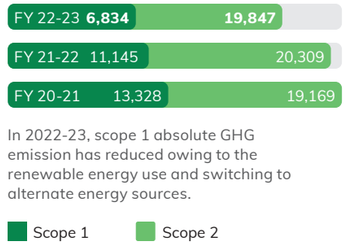
WASTE TO LANDFILL (%)
(India Beverages)



EMISSION INTENSITY ($MTCO_2e$/INR Cr)
(Emission/Consolidated Revenue)



GREENHOUSE GAS EMISSIONS (MT CO_2e)



In 2022-23, scope 1 absolute GHG emission has reduced owing to the renewable energy use and switching to alternate energy sources.

Scope 1 Scope 2

Performance update

DRIVING NET ZERO

Renewable energy

We have been increasing the use of renewable energy across our operations, and throughout our supply chain. We have installed rooftop solar panels and use biomass briquettes for boiler operations. Tata Consumer's use of renewable energy constituted about 19% of the energy mix in FY 22-23.

Energy efficiency

We have undertaken projects to upgrade conventional equipment to highly energy efficient systems.

The carbon footprint of our tea and coffee estates is closely monitored, quantified, and independently verified by the British Standards Institution (BSI) in accordance with ISO 14064 requirements.

Several energy conservation measures have been implemented at our Packeting Centres, including new multitrack packing machines, LED lights, motor upgrades, among others. Consequently, the Dam Dim Packeting Centre conserved over 1.8 lakhs KwH of energy across 3 years.

The unit was awarded the first prize under Consumer Goods category at the National Energy Conservation Awards 2022 (NECA 2022).



For a Better Planet



Our associate Company, Kanan Devan Hills Plantations (KDHP), has plantations spread across 59,000 acres of land and employs over 10,000 people. In a first among large plantation companies in India, KDHP has received Carbon-Neutral certification and net-negative emission status.

A scientific study conducted at our Munnar plantations found that the amount of carbon sequestered in KDHP's landscape was four times greater than the amount emitted. KDHP's environment-friendly practices result in the release of approximately 3,90,000 tonnes of oxygen per year.

PIONEERING CIRCULAR ECONOMIES

We are one of the founding members of the India Plastics Pact and are also members of the UK Plastics Pact and the EU Plastics Pact. Tata Consumer's representatives play an active role in the advisory committees and Collaborative Action Groups (CAGs) to develop plans for sustainable management of packaging. Combating challenges like cost, market performance, consumer protection, and waste management, we strive to ensure our packaging is fit-for-purpose and made from material which is reusable or recyclable at the end of its life.

THE UK PLASTICS PACT

INDIA PLASTICS PACT

Tetley, a global brand, is known for upholding social and environmental standards, aligned with the overarching objectives of the Tata organisation.

As a result of our focused efforts, we reduced the diesel consumed in transporting tea to the UK factory by 3,08,086 litres and distance travelled by 730,000 miles-the equivalent of removing 828 tonnes of CO_2.

OUR JOURNEY TO NET ZERO

97% Renewable Energy
To power our UK factory

Dedicated solar farm at our UK factory

Any surplus solar power is fed into the National Grid

Renewable Energy via our Biomass Boiler

100% green electricity

+

Efficient Production and Zero Waste to Landfill

Zero waste goes into landfills across both our factory and our office in the UK

=

Carbon Removal

We are doing well with Scopes 1 and 2 in our UK operations, but now have to work on all the things outside our direct control, from transport to customers boiling their kettles



Extended producer responsibility (EPR)

In India, we are fully compliant with the extended producer responsibility (EPR) requirements since 2018. Partnering with designated waste producer responsible organisations (PROs) in several states and Union Territories, we recover the equivalent of 100% of the packaging for our Beverages, Foods, and RTD divisions.

68%

Of laminate used in salt category for FY 22-23 was recyclable

Sustainable and optimised packaging

Our R&D Division includes a specialised team that works on sustainable packaging and innovations, including reducing, optimising, replacing packaging materials with sustainable alternatives, and encouraging consumers to recycle packaging.

International markets continue to work towards achieving 100% reusable recyclable or compostable packaging by 2025.



Partnering with suppliers, R&D and packing centres, the existing Tata Salt 1 Kg pouch weighing 4.45 g was re-engineered to weigh 3.96 g, or 11% less. This move is expected to reduce plastic consumption by about 277 t.

Our Good Earth and Teapigs ranges are already 100% plant based. We are working to convert our Tetley brand and are planning for the commercial roll out in the UK in 2023.





The Tetley range is now in a fully recyclable carton, envelope and compostable tea bag, aligned to the France compliance requirement.

In Poland, we relaunched 17 Vitax SKUs, without plastic overwraps and introduced a plastic-free knotted string and tag teabag.





Tetley participated in Tesco's store trial with Loop, the zero waste to landfill refill service, providing shoppers the opportunity to buy Tetley tea bags in reusable cannisters. Key insights gained from this trial indicated that it helped the brand make in-roads into a key consumer group comprising younger and more affluent individuals.

For a Better Planet



WATER NEUTRALITY

Project Jalodari

Part of Tata Trusts' WASH (Water, Sanitation, and Hygiene) initiative, Project Jalodari aims to support approximately 2.5 million individuals across 4,000+ villages in 12 states. In Himachal Pradesh, it has assisted rural communities to recharge 314 million litres of water and has also raised awareness of water conservation and sanitation in Assam.

Impact on Paonta Valley, Himachal Pradesh

30
Regions covered (Phase I and II)

30,000+
People benefited

6,065
Households given access to freshwater (Phase I and II)

314 Mn Lt
Water conserved

Impact on Jorhat and Golaghat districts, Assam

4
Estates

527
Households given water purifiers

2,700
Households provided with access to safe drinking water

ZERO WASTE TO LANDFILL

All our beverage factories globally are 'zero waste to landfill' sites.

We are now working to manage food loss. Products, which expire or do not meet our rigorous quality requirements, are being collected and processed into animal feed.

PRESERVING NATURE AND BIODIVERSITY

We contribute to protecting biodiversity hotspots and forests near plantations of our subsidiary and associate companies in Coorg, Munnar, and Assam. Our conservation efforts involve guarding forest areas and preventing human intrusion.

We also implement nature-based solutions including projects such as ecosystem restoration, ecosystem protection, or management of ecosystem-specific issues.



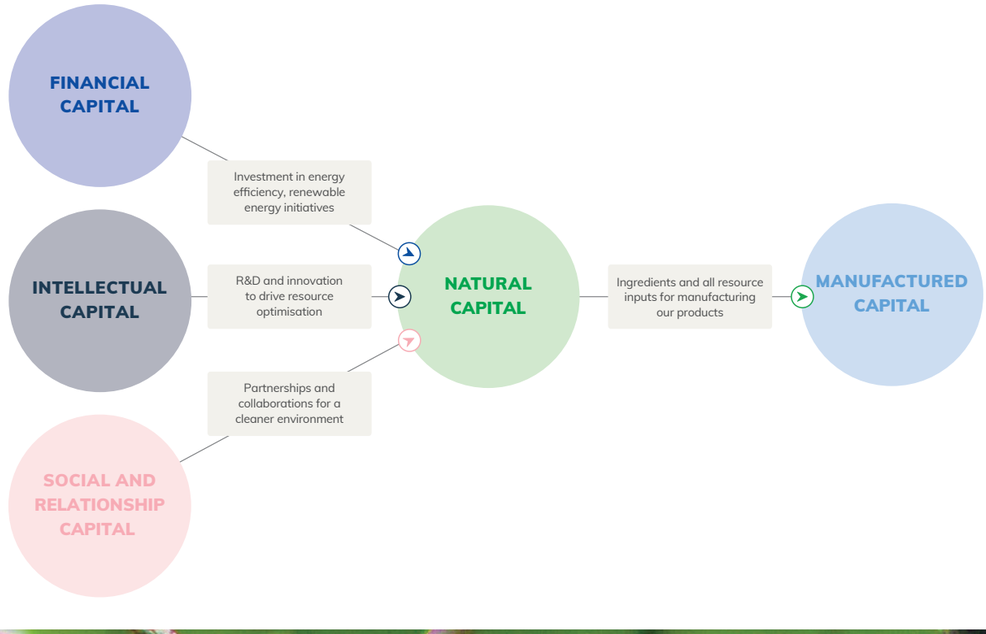
Some of Tata Coffee's biodiversity-conservation projects include:

- Rainforest restoration in the Valparai landscape, Coimbatore District
- Conservation of Great Hornbill *(Buceros bicornis)* in the tropical rainforest and human-modified landscapes of Anamalai Hills
- Conservation and management of elephant corridors to prevent Human-Animal Conflicts in the plantations
- Agroecosystem conservation and management of avian species diversity in coffee and tea plantations
- Partnering with the Nature Conservation Foundation (NCF) and supported by indigenous tribes, Tata Coffee has protected and restored 18 fragmented rainforest segments in the Anamalai Hills.

For further details please refer Protectors of Forests | Sustainability | Tata Group

We contribute to protecting biodiversity hotspots and forests near plantations of our subsidiary and associate companies in Coorg, Munnar, and Assam.

Interplay of capitals



For Better Communities

SDGs IMPACTED





Enabling community welfare

Through our initiatives, we aim to engage with communities and empower them to build better lives.

VISION

Enhance the quality of life, creating shared value for our communities.

Foster an equitable, inclusive, and safe culture for our employees.

TARGETS

2 Mn
Community beneficiaries by 2030

50%
Of diverse workforce across all geographies by 2030

PERFORMANCE HIGHLIGHTS

12,52,500
No. of beneficiaries

6,640
Employee volunteering hours

Stakeholders impacted

PEOPLE

Our employees' unwavering commitment to our business goals and vision for long-term growth have underpinned Tata Consumer's progress over the years. We are committed to providing a safe, inclusive, and rewarding workplace for our employees in which they can realise their potential and experience a fulfilling work life.

Modes of engagement

Trainings, policies, employee-engagement initiatives, surveys and townhalls

COMMUNITIES

At Tata Group, we believe that the true measure of a successful business is its ability to effect meaningful changes in the communities it operates in. We prioritise shared prosperity and strive to build resilient communities. The trust and support of our communities fuels our efforts to build a sustainable future for us and our stakeholders. Our CSR policy is aligned with CSR rules, and our CSR activities align with the needs of communities and the challenges that they face.

Modes of engagement

Regular interaction with Tata Consumer's CSR teams and impact assessments

GOVERNMENT AND REGULATORY AUTHORITIES

As a responsible corporate citizen, we maintain a symbiotic relationship with the government and regulatory bodies in order to bring positive change to the industry and the larger community. We participate actively in consultations relating to corporate laws and industry standards.

Modes of engagement

Compliance, periodic financial and ESG reporting, consultations, communication of any material financial changes/updates to market regulators

INVESTORS

The trust our investors have reposed in us is critical for our continued access to capital. This is important as it enables progress on our strategy and facilitates organic and inorganic growth. We aim to reciprocate this trust with sustainable returns over the years. We also maintain high standards of Corporate Governance, that ensure fairness to all stakeholders.

Modes of engagement

Periodic updates and reports, investor meets, analyst calls.

For Better Communities

Material issues

COMMUNITY ENGAGEMENT AND WELFARE

Through the CSR theme of 'Building Sustainable Livelihoods', we are committed to the Tata Group Purpose of improving the quality of life in the communities we serve. We strive to promote livelihood opportunities and sociocultural development in areas where we operate.

TRAINING AND EDUCATION

At Tata Consumer, every employee has a variety of opportunities for self-development. We promote learning and development at all levels across our workforce, through internal and external training programmes (online/offline). A wide range of knowledge resources is also available to cater to each individual's needs and interests.

HUMAN RIGHTS

We regard the protection of human rights as an essential component of doing business. We are committed to respecting and protecting human rights, as well as to mitigating negative human rights impact that may emanate in any part of our value chain. To this end, we have put in place a Business and Human Rights Policy that is in-line with the Tata Group's vision on Human Rights, and we are also a signatory to industry forums like the trustea Initiative and the Rainforest Alliance.

EMPLOYEE WELLNESS, ENGAGEMENT AND HEALTH AND SAFETY

Maintaining our competitive advantage entails filling key positions with the right talent and maintaining a highly-engaged workforce. A significant percentage of open positions are filled through internal transfers (31% in FY 22-23) indicating versatility and training adequacy in our employees. We also adhere to best practices with regard to health and safety in order to ensure the well-being of our employees.

EQUITABILITY (DIVERSITY AND INCLUSION)

We believe in creating an inclusive workplace. We seek people with diverse perspectives, experiences, and expertise and ensure there is no discrimination in the way we treat our people. Women currently comprise 31% of our global workforce, and we continue to maintain equal pay scales across genders and employee categories.

CORPORATE GOVERNANCE

At the heart of achieving our long-term success is a robust corporate governance process that considers stakeholder interests, builds trust, oversees business strategies, and ensures fiscal accountability, ethical corporate behaviour, and fairness to all stakeholders. All our employees, Directors, and other concerned people (e.g. suppliers) are sensitised on our corporate governance policies and practices by way of regular training.

Highlights FY 22-23

NUMBER OF BENEFICIARIES*

FY 21-22	**12,52,500**
FY 20-21	11,00,000
FY 19-20	7,00,000

* These numbers are based on Impact Assessment Report and FY 21-22 assessment happened in FY 22-23 hence it will have a one year lag.

GENDER DIVERSITY (%)

FY 22-23	**31**
FY 21-22	34
FY 20-21	34

Higher women attrition in FY 22-23 compared to FY 21-22 in production workforce in India and International Business.

LOST TIME INJURY FREQUENCY RATE (No. of LTI/million man-hrs)

FY 22-23	**0**
FY 21-22	0.20
FY 20-21	0.83

The lost time injuries have decreased in 2021-22 leading to reduced LTIFR. Continuous training, capacity building and improved safety practices also support in building safety culture of the organisation

Performance update

FOSTERING AN EQUITABLE, INCLUSIVE, AND SAFE CULTURE

At Tata Consumer, Diversity, Equity, and Inclusiveness (DEI) go beyond gender. We value employees' expertise and experience, and endeavour to provide them with opportunities for a fulfilling career. Women hold 14% of management positions and 15% of STEM-related positions.

Workplace safety and employee health are integral to Tata Consumer's business and also extend to those who are visitors at our locations. We have adopted Occupational Health and Safety Management System and 70% of Tata Consumer units in India are ISO 45001 certified. In FY 22-23, 1,409 employees participated in 17 safety trainings conducted by the corporate team, totalling 2,818 hours of safety training.



EMPLOYEE ENGAGEMENT

Employee engagement is underpinned by a three dimensional framework:

- **Culture of trust:** embracing diverse opinions, transparent communication, and leaders' commitment to uphold organisation values.
- **Building meaningful roles:** emphasising designing roles that enable learning and growth.
- **Creating effective teams:** fostering collaborative decision-making, recognising team efforts and enabling transparent communication for teams to meet their goals.

A six-monthly global engagement survey delivers an Engagement Index which encompasses advocacy (will recommend Tata Consumer as a great place to work), loyalty (feeling valued for contribution), and sentiment (feeling of happiness about working at Tata Consumer).

For Better Communities



LEARNING AND DEVELOPMENT

We design customised learning solutions to meet employees' and Tata Consumer's growth aspirations. We have 3 types of learning interventions: learnings for key/top talent, learnings for targeted populations, and organisation-wide learnings based on the objective and audience.

We provide access to several learning platforms, including LinkedIn with 15,703 hours for FY 22-23.

For more details, please refer to the Future Ready section of the Annual Report on page 80.

EMPLOYEE RECOGNITION

We prioritise recognising our employees' efforts, work ethics, and exceptional performance. We implement recognition programmes created to drive the right behaviours and organisational priorities.

In FY 22-23, about 53% of employees actively engaged in Moments of Recognising Excellence (MORE) programmes resulting in 2,671 recognitions.

Among these is **Moments of Recognising Excellence (MORE)**, which fosters a culture of innovation and collaboration. MORE now includes multiple programmes including -

MORE – Moments Of Recognising Excellence!
Sparkle
Gratitude Tree
Great Job CAFÉ
Brainiacs
Shine

In FY 22-23, about 53% of employees actively engaged in MORE programmes resulting in 2,671 recognitions. Programmes like **"Hall of Fame"** recognise teams that have collaborated to deliver high-impact work and **"Long Service Awards"** acknowledge employees' commitment and continued service to the organisation over significant durations.

CREATING SHARED VALUES FOR OUR COMMUNITIES

Themed on Building Sustainable Livelihoods, our CSR projects support communities in making socio-economic progress. Tata Consumer enables access to education and vocational skills, affordable healthcare, water and sanitation, and rural development.

Our key projects are briefly highlighted below



Education and vocational skills

Through the Srishti Trust and Swastha Centre for Special Education and Rehabilitation, we have made education and skill acquisition available to over 1,000 persons with special needs in Munnar and Coorg, respectively.



Affordable healthcare

We support the Referral Hospital and Research Centre (RHRC) in Chubwa, in Dibrugarh district of Assam. A not-for-profit enterprise, it has extended services to 80,935 patients including those registered for the e-healthcare services.



Rural development

The Tata Chemicals Society for Rural Development (TCSRD) supports environment and biodiversity conservation and other aspects of community development in Maharashtra, Madhya Pradesh, and Gujarat. TCSRD's projects have impacted over 50,000 people so far.



Water and sanitation

Through Project Jalodari, in Jorhat and Golaghat in Assam, we help to create sustainable water sources, build awareness, capacity and infrastructure relating to water and sanitation. The project also includes education on menstrual hygiene and has supported 3,586 women and adolescent girls to date.



International Business initiatives

Internationally, we have committed GBP 1.2 million to help communities living on tea estates in Malawi. Our support spans safe lighting, enhanced nutrition, early childhood development care, skill development and income generation, and redistribution of surplus food.



Employee volunteering

In FY 22-23, our employees volunteered 6,640 hrs for CSR activities

For more details refer to **Business Responsibility and Sustainability Report (BRSR) on page 234**

For Better Communities

Business and Human Rights

TATA CONSUMER PRODUCTS

BUSINESS AND HUMAN RIGHTS POLICY - 2021

Guiding document governing own operation and value chain partners on Human Rights

SUPPLIER CODE OF CONDUCT - 2020, REVISED 2022

Expectation from suppliers to lawfully conduct their business with standards of integrity and ethical behaviour; with embedded clauses on Human Rights

TATA CODE OF CONDUCT - 2015

Articulates the Group's values and ideals that guide and govern the conduct of Tata Consumer

The Tata Code of Conduct and the Supplier Code of Conduct include provisions for Human Rights and grievance reporting and redressal and apply to our employees and value chain partners.

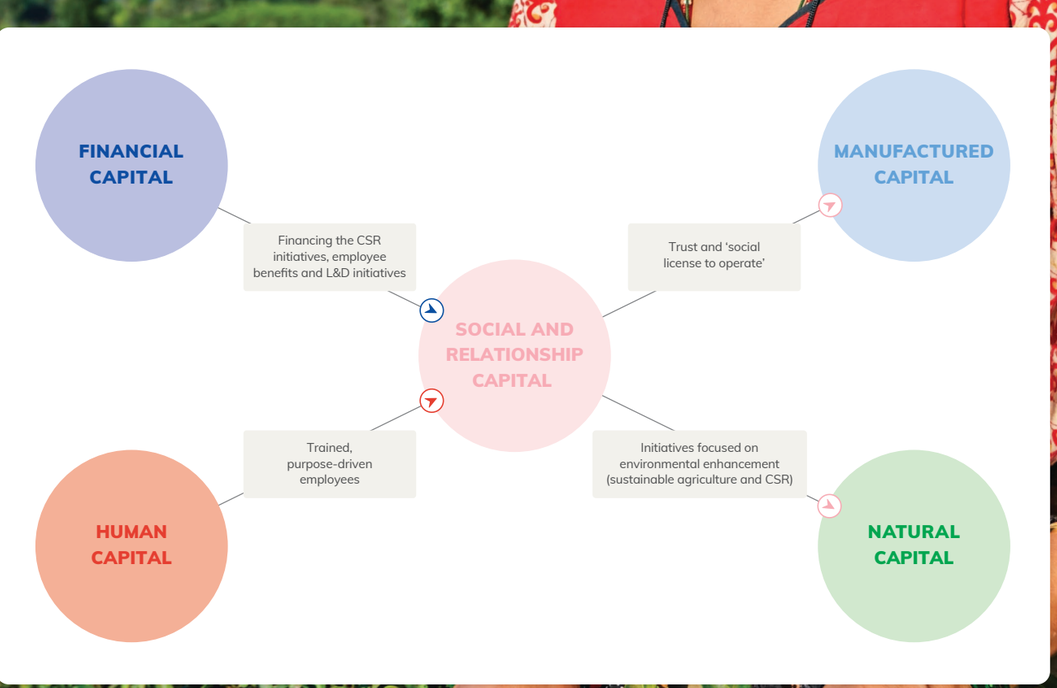
With the launch of the Business Human Rights (BHR) in 2021, we integrated human rights into our business practices. An Apex Committee and a functional Working Committee for Human Rights oversee adherence to the policy and operational execution, respectively. Among other initiatives, we are working to Issue and adopt remediation guidelines and framework shortly and educate employees on human rights issues.



Human rights impact assessments are also an integral part of our raw-material sourcing for Tea and Coffee, which are certified by Rain Forest Alliance and Trustea.

Through our initiatives, we aim to engage with communities and empower them to build better lives.

Interplay of capitals



TATA CONSUMER PRODUCTS

For Better Nutrition

SDGs IMPACTED





Facilitating positive health outcomes

Social responsibility is embedded in our ethos. We ensure that our consumers receive the best of our offerings for improved nutrition and health.

VISION

Improved access to healthy, natural, and safe food for our consumers.

TARGETS

250 Mn

Households in India to be reached through our product portfolio by 2030

100%

Sustainable products* by volume by 2040

PERFORMANCE HIGHLIGHTS

3.4%

Innovation to Revenue (India)

8

New launches with fortification/added nutritional benefits in FY 22-23

900 MT

Potential reduction in packaging material annually through projects under implementation

* Sustainable products are those which are locally sourced, and provide environment, social and economic benefits while protecting public health throughout their lifecycle.

Stakeholders impacted

CONSUMERS

Our R&D function innovates continuously to expand our portfolio of nutritious and fortified products, with a view to contribute to the overall well-being of our consumers. We also endeavour to raise consumer awareness about the nutritional content of our products, helping them make informed choices.

Modes of engagement

Nutrition information is made available on packaging shared through social and mass-media channels, including focused-PR (e.g., launch events and communication campaigns), point of sale communication, and feedback channels.

GOVERNMENT AND REGULATORY AUTHORITIES

We engage with governments and regulators at national and state levels to help frame policies that promote improved health and nutrition. Additionally, we function responsibly by setting high compliance standards that aid in building trust and credibility for our industry.

Modes of engagement

Policy advocacy, compliance with various applicable food, nutrition, and disclosure-related laws.

INVESTORS

Consumer preferences are fast-evolving due to increased awareness and health consciousness. This has translated into a greater demand for better nutrition and health from food and beverage companies. Investors worldwide are seeking to use financial resources to drive greater sustainability in the sector. Our investors appreciate the role we play in bridging nutritional gaps for our consumers, while also educating the public on the importance of proper nutrition.

Modes of engagement

Annual General Meetings, institutional-investor and analyst meets, Quarterly investor call post earnings, Annual Reports, stock-exchange submissions, ESG disclosures, information on the Tata Consumer website, etc.

VALUE CHAIN PARTNERS

The nutritional value of our products is a factor of the quality of raw materials that we source from our supply partners. We ensure that the supply partners we engage with are certified for non-GMO raw materials (including imported ones). We have established practices across our supply chain to help preserve the nutrient value in our foods and beverages.

Modes of engagement

Vendor registration and onboarding supplier reviews and audits, quality assessments, and sustainable relationship management programmes (please refer to the section on Sustainable Sourcing for details)

For Better Nutrition

Material issues

The 'For Better Nutrition' pillar and the material issues that are associated with it, reflect our commitment to this aspect of social responsibility. The material issues are discussed briefly below.

RESPONSIBLE MARKETING

Providing consumers with clear nutritional information about our products is essential in helping them make appropriate food choices. It is also critical for maintaining consumers' trust.

Key enablers

- Marketing products based on superior ESG credentials
- ESG information in product labels
- Policy advocacy
- Consumer trust

ACCESS TO NUTRITION

Enabling access to better nutrition with innovative and affordable products and consumer-education initiatives.

Key enablers

- Policy advocacy
- Healthy product portfolio
- Expanded consumer reach
- Building awareness

PRODUCT STEWARDSHIP

Ensuring high quality standards into our product offerings mitigates health and safety risks. It also helps in avoiding financial and reputation risks. Product stewardship is also integral to addressing consumers' growing needs for sustainability-related information, including packaging material, waste management, etc.

Key enablers

- Sustainable products and innovation
- Quality and safety
- Enhanced brand performance

CONSUMER CONNECT

Observing market trends and understanding consumers' changing nutritional preferences help us fulfil their expectations, while facilitating sustainable growth.

Key enablers

- Going Digital
- Surveys and feedback
- Grievance redressal
- Staying relevant to market trends

Highlights FY 22-23

34
New products launched in India and other geographies

3
Patents filed

Excellence
In packaging innovation, recognised and awarded

3
NPD launches every month which is ~2X vs FY 21-22

HIGHLIGHTS FY 22-23

NEW PRODUCT LAUNCHES

Sustainable



Nutrition



Wellness



Health



Performance update

We are continually endeavouring to make products that are nutritious and sustainable. Health and wellness components and certifications, such as 'Rainforest Alliance' are key sustainability parameters on the inputs side, while initiatives, such as renewable energy use and conservation of fresh water, etc. support sustainability on the manufacturing and packaging side. The use of recyclable packaging and sustainable logistics are some of the other parameters to look at. Taking all of this into consideration, we are currently in the process of developing a methodology to measure and report the holistic attributes of our product portfolio.

As our portfolio of healthy products, and consumer base, continue to expand, we are conscious of responsible marketing. We ensure that consumers are adequately informed about our products through transparent communication and that they understand what makes these products sustainable.

During FY 22-23, we launched 34 new products, including 8 that address health and wellness.



Tata Salt Immuno- Salt fortified with Iodine and Zinc



Tata Salt + Vitamin Shakti, fortified with Vitamin D and calcium



Tata Salt Iron Health- Salt fortified with iodine and iron



Tata Simply Better- Plant based meat



Tata GoFit- Plant Protein powder



Tata Soulfull Masala Oats+ - Oats with 25% millets



Tata Sampann 100% Premium Dry Fruits and Nuts Mix



Tetley Green Tea Immune Tulsi- Fortified with Vitamin C

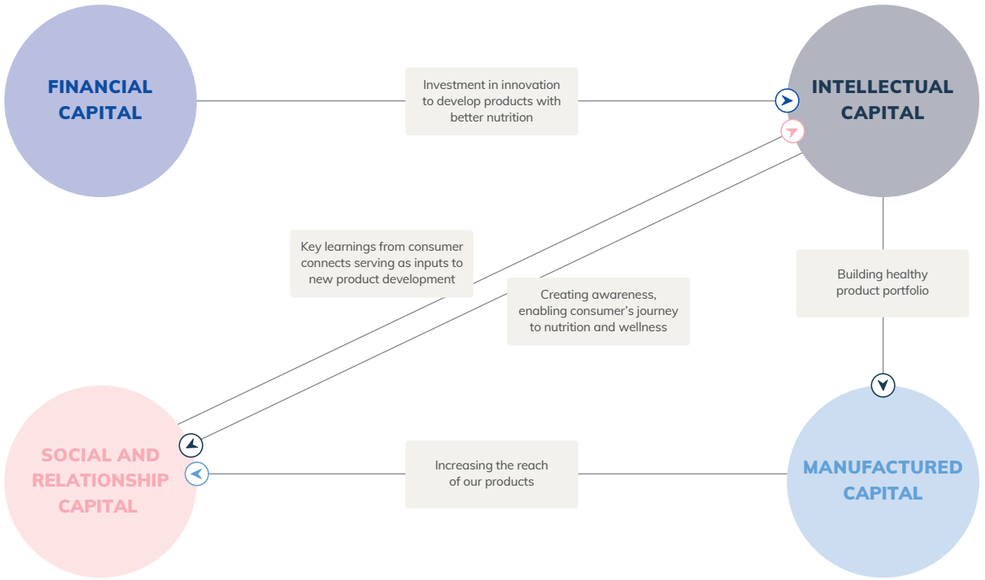
For Better Nutrition

In the reporting year, three new R&D centres were inaugurated. Our R&D teams collaborate with various suppliers, research institutes, analytical service providers and technology providers for technical collaborations for product and process development, new packaging development, research-oriented projects, and analytical service support.

In our endeavour to leverage science and technology set-up available in our ecosystem, several initiatives have been taken up with specific focus on claims substantiation, safety studies and development of new analytical methods. Projects were taken up with CSIR (Council of Scientific and Industrial Research) laboratories which include CFTRI (Central Food Technological Research Institute) Mysore, CSIO (Central Scientific Instruments Organisation) Chandigarh, IITR (Indian Institute of Toxicology Research), Lucknow and CSMCRI (Central Salt and Marine Chemicals Research Institute) Bhavnagar. We have also collaborated with India International Kashmir Saffron Trading Centre (IIKSTC), Directorate of Agricultural Production and Farmers Welfare, Government of J&K with regards to Saffron research and testing.

In packaging, we continually explore global packaging solutions to cater to emerging consumer trends and to reduce our footprint.

Interplay of capitals



Our R&D teams collaborate with many institutions to research and guide the growth of our portfolio of health and wellness products.



GOVERNANCE

Focused on conduct

At Tata Consumer, we are guided by the highest standards of governance as we recognise that our success is not just measured in financial terms but in our ability to maintain the trust and confidence of our stakeholders. Hence, we place a strong emphasis on ethical conduct, transparency, and accountability throughout the organisation. By adhering to these principles, we are able to build enduring relationships with our customers, partners, and communities and create sustainable value for all.



Governance

Read more on **page 126**

Board of Directors

Read more on **page 128**

Leadership Team

Read more on **page 132**

Risk Management

Read more on **page 136**

Corporate Information

Read more on **page 140**

Governance

Guided with foresight and experience

Corporate governance is the cornerstone of our operations. To achieve the organisation's mission and growth goals, we abide by international governance standards and the Tata Code of Conduct.

The Board Philosophy

Corporate governance is a way of life that is ingrained in the organisation's behaviour and culture. The Company's philosophy on corporate governance ensures transparency in operations, accountability to stakeholders, and the effective functioning of both management and the Board.

This encompasses financial accountability, ethical corporate behaviour, and keeping in mind the interest of all stakeholders including employees, consumers, vendors, investors, regulators, and society at large. Additionally, it involves monitoring the Company's overall strategy.

Business Ethics and Compliance

We are committed to operating with the utmost integrity and in accordance with all applicable legal requirements. To ensure that, we have instituted rigorous policies:

- Whistle blower policy
- Policy on nomination, appointment and removal of directors
- Policy for determining material subsidiaries
- Policy on related party transaction
- Tata affirmative action policy
- Business and human rights policy
- Tata Code of Conduct
- Corporate social responsibility policy
- Dividend distribution policy
- Archival policy
- Group health safety and well-being policy
- Remuneration policy
- Policy on determination of materiality for disclosure
- Code of corporate disclosure practices
- Document retention policy
- Anti-bribery and anti-corruption policy
- Anti-Money Laundering (AML) Policy
- Policy on Prevention of Sexual Harassment
- Gifts and Hospitality Policy



Board activities and key discussions during the year

- Appointment of Mr. David Crean as Additional (Independent) Director
- Amendment of following policies:
  - Dividend Distribution Policy
  - Related Party Transactions Policy
- Induction of Mr. David Crean as a Member of Risk Management Committee
- Amendment in Remuneration Policy
- Adoption of Anti-Money Laundering (AML) Policy

96%
Average Audit Committee attendance

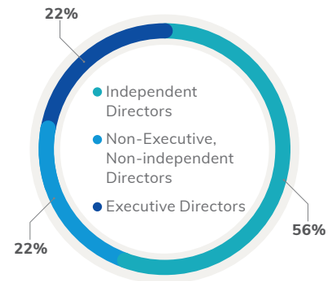
96%
Average Board meeting attendance

100%
Attendance of rest of the Board Committees

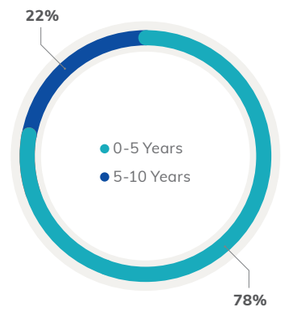
4
Directors in the age group of 40-60 years

5
Directors in the age group of 60-65 years

COMPOSITION OF THE BOARD



TENURE OF DIRECTORS



Board of Directors

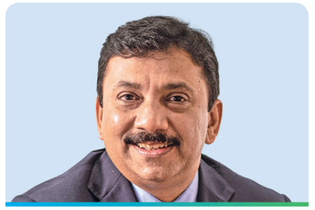
as on 25 April 2023



MR. N. CHANDRASEKARAN
Chairman
N



MR. P. B. BALAJI
Non Executive (Non-Independent) Director



MR. SIRAJ CHAUDHRY
Independent Director
A S C R



MR. BHARAT PURI
Independent Director
A N R



MS. SHIKHA SHARMA
Independent Director
A N C R



DR. K.P. KRISHNAN
Independent Director
A C



MR. DAVID CREAN
Independent Director
A R



MR. SUNIL D'SOUZA
Managing Director and CEO
S E



MR. L. KRISHNAKUMAR
Executive Director and Group CFO
S E

(A) Audit Committee (S) Stakeholders Relationship (N) Nomination and Remuneration Committee (R) Risk Management Committee
(C) Corporate Social Responsibility (CSR) and Sustainability Committee (E) Executive Committee
Committee Chairman Committee Member

MR. N. CHANDRASEKARAN
Chairman

Mr. N. Chandrasekaran is the Chairman of Tata Sons, the holding Company and promoter of all Tata Group companies.

Mr. Chandrasekaran joined the Board of Tata Sons in October 2016 and was appointed Chairman in January 2017. He also chairs the Boards of several Group operating companies, including Tata Steel, Tata Motors, Tata Power, Air India, Tata Chemicals, Tata Consumer Products, Indian Hotel Company, and Tata Consultancy Services (TCS) – of which he was the Chief Executive Officer from 2009-17.

His appointment as Chairman of Tata Sons, followed a 30-year business career at TCS, which he joined from university. Mr. Chandrasekaran rose through the ranks at TCS to become the CEO and Managing Director of the leading global IT solution and consulting firm. Under his leadership, TCS generated total revenues of USD 16.5 billion in 2015-16 and consolidated its position as the largest private sector employer in India and the country's most valuable Company.

Since he has taken over as Chairman, Mr. Chandrasekaran has been driving transformation of the Group towards digital, sustainability and supply chain resilience. The Group has forayed into new businesses including electronics manufacturing, consumer internet platform and mobile technology for 5G in India. The Tata Group has expanded its aviation presence with the acquisition of Air India and is building a large global airline. The Group turnover stood at over USD 125 billion with a market cap of USD 311 billion as on 31 March 2022.

In addition to his professional career at Tata, Mr. Chandrasekaran is on the International Advisory Council of Singapore's Economic Development Board. He is the Chairman of Indian Institute of Management, Lucknow as well as the President of the Court at Indian Institute of Science, Bengaluru. He is the member of the Mitsubishi's International Advisory Committee and the Co-Chair of the India US CEO Forum. He is also on the Board of Governors of New York Academy of Sciences and has been elected as an international member of the United States National Academy of Engineering (NAE).

Mr. Chandrasekaran was conferred with the Padma Bhushan, one of the highest civilian awards in India, in the field of trade and industry in 2022. He has also been conferred the President Eisenhower Global Award for Leadership by the Business Council for International Understanding (BCIU). Mr. Chandrasekaran has been awarded several honorary doctorates by leading Universities in India and internationally, including an honorary Doctor of Letters from Macquarie University, Australia, Doctor Honoris Causa by Nyenrode University, The Netherlands, honorary Doctor of Science by the Aligarh Muslim University, and Doctor of Letters from the Regional Engineering College, Trichy, Tamil Nadu, where he completed a Masters Degree in Computer Applications, before joining TCS in 1987.

Mr. Chandrasekaran is also the author of Bridgital Nation, a groundbreaking book on harnessing technological disruptions to bring Indians closer to their dreams.

Mr. Chandrasekaran is an avid photographer, and a passionate long-distance marathon runner. He is a Six Star Finisher of the World Marathon Majors and continues to champion fitness.

Born in 1963, Mr. Chandrasekaran lives in Mumbai, with his wife Lalitha.

MR. P. B. BALAJI
Non-Executive (Non-independent) Director

Mr. P.B. Balaji has been serving as the Group Chief Financial Officer of Tata Motors Limited ("TML") since November 2017. He is a member of the Executive Committee of TML and plays a key role in TML Group's profitable and sustainable growth journey. He is also on the boards of Jaguar Land Rover, Tata Motors Finance Group, Tata Technologies, and Tata Consumer Products Ltd.

With nearly three decades of experience in the corporate sector, Mr. Balaji is a seasoned global finance professional who has worked across the FMCG and Automotive industries. He started his career at Unilever in 1995, where he held different corporate finance and supply chain positions in India, Singapore, UK, and Switzerland, Prior to joining Tata Motors, he served as the Chief Financial Officer of Hindustan Unilever.

Mr. Balaji holds a post-graduate degree in management from the Indian Institute of Management, Calcutta, and is an alumnus of the Indian Institute of Technology, Chennai.

MR. SIRAJ CHAUDHRY
Independent Director

Mr. Siraj Chaudhry is a renowned industry expert, innovator, thought leader, and prominent voice in the agriculture and food industry. He has collaborated extensively with various sectors, including the government, social sector, and industry, on various transformational and nation-building projects. He holds a degree in B.Com (Hons.) from Delhi University, Masters in International Business from Indian Institute of Foreign Trade.

With over 34 years of experience in building, acquiring, divesting, and turning around businesses, Mr. Chaudhry currently serves as the Chief Advisor and Non-Executive Chairman for SATS India. Previously, he was the Managing Director and CEO of NCML, where he played a pivotal role in expanding the Company's footprint across the country and diversifying its operations, establishing it as a trusted and preferred agri-supply chain and solutions provider.

Board of Directors

He was also the Chairman of Cargill India, the Indian arm of Cargill Inc., where he led the build and expansion of Cargill's food business in India, making it a leading player in edible oils, flour, corn products, and food ingredients. During his tenure, Cargill's animal nutrition business and global business services footprint in India saw significant growth. Mr. Chaudhry is credited with spearheading Cargill's efforts in edible oil fortification, which was recognised by Fortune Magazine as a Change the World activity.

In addition to serving as a Non-Executive Director and Chairman Board of NCML, Mr. Chaudhry is an Independent Director on the boards of several companies, including Tata Consumers Products Ltd., Tata Coffee Ltd., Dhanuka Agritech Ltd., Jubilant Ingrevia Ltd, Bikaji Foods International Ltd., and Carrier Airconditioning and Refrigeration Ltd. He is also a member of the non-statutory advisory council of AB InBev, India.

Mr. Chaudhry has previously served as an Independent Director on the Board of IndusInd Bank and as a member of CDC Group plc (now BII) Food and Agriculture Advisory Council. He has chaired the National Committee on Food Processing and served as the Co-chair of the National Committee for Agriculture at FICCI. Mr. Chaudhry has also chaired the Agriculture and Food Committees at the American Chamber of Commerce and US India Business Council in India.

MR. BHARAT PURI
Independent Director

Mr. Bharat Puri is the Managing Director of Pidilite Industries Limited since April 2015, having first joined the Board of Pidilite Industries Ltd. as an Independent Director in 2008. With a proven track record as a successful global business leader, he has effectively built, motivated, and directed diverse teams across various regions in both developed and developing markets. He is graduate in Commerce from Punjab University and holds post-graduate diploma in Management (MBA) from IIM, Ahmedabad.

Mr. Puri's professional journey began at Asian Paints in 1982, where he started as a Sales and Marketing executive and eventually rose to the position of Head of Sales and Marketing. In 1998, he transitioned to Cadbury India, serving as Director of Sales and Marketing before being appointed as its Managing Director in 2002. Throughout his career, he has held several senior leadership positions in Sales, Marketing, and General Management at both regional and global levels. His exceptional performance culminated in his appointment as the Global President of Chocolates, Gum, and Candy for Mondelez International.

MS. SHIKHA SHARMA
Independent Director

Ms. Shikha Sharma holds a degree in B.A (Hons.) in Economics, post-graduate diploma in Software Technology from National Centre for Software Technology and Post Graduate Diploma in Management from IIM, Ahmedabad. With a wealth of experience in banking and insurance, she boasts an impressive track record. During her tenure, she successfully transformed Axis Bank Limited from a predominantly corporate lender to a bank with a robust retail deposit franchise and a well-balanced lending book.

Ms. Sharma embarked on her career with ICICI Bank in 1980. She served as the MD and CEO of ICICI Personal Financial Services from May 1998 to December 2000. Subsequently, she held the position of Managing Director and CEO at ICICI Prudential Life Insurance Company from December 2000 to June 2009. She later became the Managing Director and CEO of Axis Bank from June 2009 to December 2018.

Ms. Sharma has earned numerous accolades, including the CNBC TV18 Outstanding Businesswoman of the year, AIMA JRD TATA Corporate Leadership, and Business Standard's Banker of the Year. She has also been recognised as one of the Top 20 Women in Finance-by-Finance Asia and one of the 50 most powerful women in business by Fortune.

Ms. Sharma serves on the board of Directors for several publicly listed companies, including Tata Consumer Products Limited, Tech Mahindra Limited, Mahindra & Mahindra Limited, Dr. Reddy's Laboratories Limited, and Piramal Enterprises Limited. Additionally, she is an advisor /consultant to Piramal Enterprises Limited, Billionbrains Garage Ventures Private Limited, Bahaar Foundation - a unit of Akshati Charitable Trust and Google India Digital Services Pvt. Ltd. She is also a member of the Board of Governors of IIM, Lucknow.

DR. K. P. KRISHNAN
Independent Director

Dr. K.P. Krishnan retired from the Indian Administrative Service (IAS) on 31 December 2019, after serving for 37 years. Through his career, he held various positions in the Government of Karnataka, the Government of India, and the World Bank, serving in departments dealing with agriculture, co-operatives, marketing, urban development and infrastructure, commercial taxes, and finance. He also held field positions such as District Collector Mangalore.

During his time in the Government of India, he served as Secretary of the Ministry of Skill Development and Entrepreneurship from 1 February 2017, to 31 December 2019, as Special/ Additional Secretary of the Department of Land Resources, Ministry of Rural Development (2014-2017), Additional Secretary of the Department of Economic Affairs, Ministry of Finance (2013-2014), Secretary of the Prime Minister's Economic Advisory Council (2010-2012), and Joint Secretary of the Department of Economic Affairs, Ministry of Finance (2005-2010). In these roles, he served on the boards of corporations, banks, and statutory regulatory authorities.

Dr. Krishnan has also been actively involved in research and academia throughout his government career. He has been a visiting faculty member at various institutions, including IIM Bengaluru, ISB, and Ashoka University, and was the Bok Visiting Professor of Regulation at the University of Pennsylvania Law School in 2012-13. He served as the IEPF Chair Professor of Economics at the National Council of Applied Economic Research (NCAER) in New Delhi from 7 August 2020 to 31 December 2021, and is currently an Honorary Research Professor at the Centre for Policy Research (CPR) in New Delhi.

Dr. Krishnan is also an Independent Director on the Boards of Shriram Capital Private Limited and Dr. Reddy's Laboratories Limited. He studied Economics at St. Stephens College and Law at the Campus Law Centre, University of Delhi, and earned his FPM (Ph.D.) in Economics at IIM Bangalore's 2003 graduation ceremony.

MR. DAVID CREAN
Independent Director

Mr. David Crean is a highly accomplished and experienced professional in the food industry with over 35 years of expertise in leadership, talent development, innovation, research and development, science, quality management, and food safety. He is graduated with a BA (Hons.) Degree in Applied Biology from Liverpool Polytechnic.

He held multiple senior leadership positions at Mars Incorporated, including, when he retired, the dual roles of Vice-president of Corporate R&D and Chief Science Officer, where he contributed significantly to the Company's strategy.

Throughout his career, he led business growth initiatives, established global technology and research platforms, and most recently established various governance processes and performance standards for Mars' global businesses. He launched over 70 Mars products in multiple geographies and drove profitable business growth across emerging and developed markets.

Mr. Crean's passion and leadership have guided Mars' highly principled approach to science, research practices, policies, innovation, quality and food safety standards.

Mr. Crean's contributions extend beyond Mars as he participated in many events organised by the United Nations FAO and WHO while advocating for food security and safety.

Since he retired from Mars in 2021, he has continued to share his knowledge and expertise, serving as Chair of the Global Food Safety Initiatives (GFSI) Science and Technology Advisory Group and advising numerous global businesses and start-ups.

MR. SUNIL D'SOUZA
Managing Director and CEO

Mr. Sunil D'Souza has been serving as the Managing Director and Chief Executive Officer of Tata Consumer Products since April 2020. Prior to this, he held the position of Managing Director at Whirlpool India Ltd. for over four years and had a significant contribution in transforming the Whirlpool business in India. He has also worked with PepsiCo for almost 15 years, where he held various leadership positions, managing the commercial aspects of the Company's food and beverage portfolio, and steering the business in a large cluster of Asian countries. Sunil started his career with Hindustan Unilever in 1993 and has 29 years of extensive experience in the consumer products sector with a strong emphasis on strategy, growth, and execution.

In addition to his current role as Managing Director and Chief Executive Officer of the Company, he is also a Director on the Board of Tata Coffee Limited, NourishCo Beverages Limited, Tata Starbucks Private Limited, Tata Consumer Soulfull Private Limited, and several of Tata Consumer Products' overseas subsidiaries.

Mr. Sunil holds a degree in engineering from the University of Madras and is an alumnus of the Indian Institute of Management, Calcutta (IIM-C).

MR. L. KRISHNAKUMAR
Executive Director and Group CFO

Mr. L. Krishnakumar is currently serving as the Executive Director and Group CFO of Tata Consumer Products. Mr. L. Krishnakumar began his career with A. F. Ferguson and Co. in India and the Middle East as a management consultant. He later joined Larsen and Toubro Ltd., where he served as General Manager, Finance, gaining extensive experience across various functions in industries such as engineering, information technology, and shipping.

In the year 2000, he joined The Indian Hotels Company Limited, a Tata Group Company in the hotels business, as Vice-president - Finance. Four years later, he was appointed as the Senior Vice President - Finance of Tata Tea Limited (now Tata Consumer Products Limited) in India in 2004. During his tenure at Tata Consumer Products, Mr. L. Krishnakumar held several leadership and strategic roles in the Company's operations in India and its International Business.

In addition to his current role as Executive Director and Group CFO of the Company, he is also a Director on the Board of NourishCo Beverages Limited, Tata Starbucks Private Limited, Infiniti Retail Limited, and several of Tata Consumer Products' overseas subsidiaries, Mr. L. Krishnakumar has also been a member of finance forums of CII and Bombay Chamber. He holds qualifications in Chartered Accountancy, Cost Accountancy, and Company Secretarial.

Leadership Team



MR. SUNIL D'SOUZA
Managing Director and CEO

Mr. Sunil D'Souza has been serving as the Managing Director and Chief Executive Officer of Tata Consumer Products since April 2020. Prior to this, he held the position of Managing Director at Whirlpool India Ltd. for over four years and had a significant contribution in transforming the Whirlpool business in India. He has also worked with PepsiCo for almost 15 years, where he held various leadership positions, managing the commercial aspects of the Company's food and beverage portfolio, and steering the business in a large cluster of Asian countries. Sunil started his career with Hindustan Unilever in 1993 and has 29 years of extensive experience in the consumer products sector with a strong emphasis on strategy, growth, and execution.

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Mr. Sunil holds a degree in engineering from the University of Madras and is an alumnus of the Indian Institute of Management, Calcutta (IIM-C).



MR. L. KRISHNAKUMAR
Executive Director and Group CFO

Mr. 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, Mr. 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. 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.



MR. 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.



MR. TARUN N P VARMA
Global Chief Human Resources Officer

Tarun N P Varma joined Tata Consumer Products in January 2023 as Global Chief Human Resources Officer. In this role, Tarun is responsible for developing a competitive and compelling Employee Value Proposition (EVP) for Tata Consumer's global organisation besides embedding an integrated people agenda to accelerate delivery across all the pillars of the Company's business strategy.

Tarun comes with over two decades of experience, having joined Tata Consumer Products from Shell plc, where he last served as Vice President - HR for the Global Technology division. He earlier led the HR function for Shell Group of Companies in India. Prior to this, he held multiple HR leadership roles across leading multinational corporations such as Vodafone, Coca-Cola, and Nestle.

Tarun is a post-graduate in Personnel Management and Industrial Relations from Tata Institute of Social Sciences, Mumbai. He graduated in Mechanical Engineering from National Institute of Technology, Jamshedpur.



MR. GHARRY ECCLES
President, International Business

Gharry Eccles joined Tata Consumer Products in January 2022 as President - International Business and is based in London. In this role, he is responsible for the business performance of international markets, including the development of a strong portfolio of brands, improved business growth and profitability, driving new products and innovation, and executing on new growth opportunities across markets and regions.

With over 3 decades of rich experience in consumer products, Gharry was previously with Cereal Partners Worldwide– a joint venture between Nestle and General Mills, where he was the Vice President, with business responsibility for the UK, Ireland, Australia and New Zealand covering over 1,000 employees, 3 factories and 2 R&D centres. Prior to this, he held various leadership positions across organisations such as PZ Cussons PLC, Muller Dairy Ltd, The Wrigley Company and Kimberly Clarke, Europe. He is a post-graduate in marketing from Kingston Business School.



MR. NAVANEEL KAR
President and Head, India Sales

Navaneel 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 the responsibility for Sales across channels, Logistics, HR and Industry affairs, managing a team of 500 people and generating a turnover of INR 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, Jamshedpur.



MR. 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.



MR. VIKAS GUPTA
Global Head, R&D

Vikas Gupta was appointed the Global Head of R&D for Tata Consumer Products in June 2020. He began as the Head of Product Innovation for India in 2013 and was appointed the 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 and 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.

Leadership Team



MR. PUNEET DAS
President, Packaged Beverages India and South Asia

Puneet Das joined Tata Consumer Products in November 2017. He was appointed President – Packaged Beverages (India and South Asia) in April 2021. 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 has more than 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 and 2019) and is among 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.



MS. 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 and 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, Odisha.



MR. VIKRAM GROVER
Managing Director, NourishCo Beverages Ltd.

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 and for the liquid Beverages 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.

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



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

Prashant Parameswaran is the MD and 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 '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 Bengaluru and Cochin until 2020.



MR. CHACKO P. THOMAS
Managing Director and 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 board 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 Programme.



MR. 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 and 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.



MR. RISHI GAUTAM
Global General Counsel

Rishi joined Tata Consumer Products in June 2022. Prior to this, he was at Cyril Amarchand Mangaldas where he was a Partner with the general corporate practice. Rishi has extensive global experience, having worked in markets such as Australia and the United Kingdom. Rishi has worked in areas such as corporate finance transactions, structuring of investments, business and operations, day-to-day operational issues and advising on compliance and specialist legal advice in relation to disputes, employment, tax and related areas. He previously worked with organisations such as AZB & Partners, Clifford Chance LLP and Herbert Smith Freehills.

Risk management

Mitigating risks robustly

As our business is continually evolving with the changing market context, it is one of our top priorities to identify, evaluate, and manage risks. We have established a strong risk management committee that oversees and implements risk mitigation measures.

Risk management framework

Our risk management framework is developed in a manner that addresses our business needs while remaining simple and pragmatic. The framework has four essential parts:

1
RISK MANAGEMENT PROCESS
to identify, prioritise, and manage risks

2
RISK MANAGEMENT STRUCTURE
for implementation of the process

3
RISK MANAGEMENT TECHNOLOGY
to identify risks in a proactive manner

4
RISK MANAGEMENT SUBJECT MATTER EXPERTS
who engage with and guide business leadership to optimise the process

Risk management process



Risk Management Committee (RMC)

FORMED BY
The Board of Directors

OBJECTIVE
Framing, implementing and monitoring a risk management plan

RMC'S RESPONSIBILITY
- Keeping an eye on the plan's efficacy and evaluating it frequently
- Overseeing the Company's risk management process and controls

Key risks and mitigation plans

COMMODITY SOURCING

Risk
Agri commodities are subject to seasonal and market cyclicality. Volatility in commodity prices and availability can have an impact on our business, operations, and cash flows.

Mitigation plans
- Deployment of digital tools for better forecasting and trend analysis leveraging past years data repository.
- The commercial implications of commodity price movements are continuously assessed and where appropriate, are reflected in the pricing of our products.
- Strategic position building for key raw materials in Foods taken up during the year.
- Added alternate suppliers for Salt portfolio.

BRAND EQUITY

Risk
The relevance of existing brands, considering changes in consumer behaviour, is vital for sustainable growth of the organisation.

Mitigation plans
- We track consumer trends, which act as inputs for finalising marketing strategies.
- Redeploy savings from operational efficiencies as media investments to drive equity.
- Strengthening and focusing on core categories across geographies to build brand salience.

COMPLIANCE AND REPUTATION

Risk
Being part of the Tata Group, it is paramount for us to maintain the highest standards of doing business.

Mitigation plans
- Being a multi-geography consumer major, we are subject to extensive laws and regulations, which are complex and constantly changing.
- Holistic compliance framework developed, and robust SOPs defined for quality checks with defined guardrails and deviation parameters for different geographies/ business units. In addition, audits are conducted by third parties and an in-house team from time to time.
- All our manufacturing facilities undergo regular food safety, Good Manufacturing Practices, and safety audits along with continuous monitoring and upgradation.
- A stringent Code of Conduct Policy, covering all our employees and business partners, is in place to ensure adherence with regulations and to conduct business with the highest ethical standards.
- For vendor due diligence, anti-bribery and corruption, a questionnaire is shared with vendors and is being re-administered every two years.
- Global Data Privacy Refresh plan is in place to examine the global personal information and sensitive data handling practices against the requirements of privacy laws across various geographies.

Risk management

CHANGING CONSUMER PREFERENCES

Risk

Holistic wellbeing is becoming an important priority and hence, consumer preferences are changing and shifting towards branded, health and wellness-focused products. The inflationary scenario also has an impact on consumer behaviour, particularly in International Business.

Mitigation plans

- We believe in innovating for better. Our product and category innovations continue to address untapped and emerging consumer needs.
- During the year, we accelerated the pace of innovation across key categories with multiple launches/extensions within key brands.
- We are strengthening our A&P investments.
- We have deployed a dedicated innovation funnel for the next five years, which encompasses evolving changes in consumer preferences.

SALES AND DISTRIBUTION

Risk

Existing capabilities may not be able to address the future targets and plans.

Mitigation plans

- We have implemented 100% Distributor Management System (DMS) and Salesforce Automation (SFA) to enable end-to-end visibility of secondary sales, distribution, and servicing levels.
- Outlet expansion with a focus on increased direct distribution.
- We have initiated ROI based Trade marketing (conditional spends) and ATL spends.
- During the year, our 'Always on' performance marketing approach has yielded strong alternate channel growth.

CYBERSECURITY

Risk

Increasing instances of cyber-attacks and data breaches.

Mitigation plans

- 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.
- We are carrying out multiple awareness sessions and have simulated phishing campaigns to strengthen user awareness.
- We scaled up proactive monitoring capabilities with Safe Security for the entire digital landscape, based on the industry standard of Common Vulnerability Scoring System (CVSS).
- We have initiated cybersecurity KPIs measurement as per aligned NIST CSF guidelines.
- Periodic vulnerability assessments and penetration testing is carried out.

BUSINESS ACQUISITION AND INTEGRATION

Risk

Inorganic expansion will have associated risk of compliances, technology, business delivery, values, and people/culture.

Mitigation plans

- In our growth phase, managing integration risk has been of paramount importance. Management has constituted a Business Integration team comprising subject matter experts from different domains, to plan, prepare, track, and monitor execution against predefined milestones and synergy benefits.
- Compliance registers are maintained for various licenses, contracts, reporting, among others.
- Employee engagement, role assignment, imparting training for inclusiveness and adoption of values and culture.

SUSTAINABILITY

Risk

As a socially responsible Company, it becomes imperative to reduce our environmental footprint and meet stakeholders' expectations, particularly relating to climate change, water security, packaging waste, and sustainable agriculture.

Mitigation plans

- Our sustainability strategy is centred on the pillars of 'Better Planet', 'Better Sourcing', 'Better Communities' and 'Better Nutrition.'
- We have programmes to reduce energy consumption, increasing the use of renewable energy, circular economy and water stewardship.
- Increased focus on sustainable sourcing- partnerships with trustea and Rainforest Alliance.
- Financed climate change vulnerability and risk assessment studies in tea-growing areas in India.
- Tata Soulful products are based on millets, which are climate-resilient crops and they require lesser quantities of water and are high on nutritional value.
- CSR and Sustainability Committee are in place to assess and manage climate-related risks

PEOPLE

Risk

To realise our vision, it is important to attract and retain talent by appropriate succession planning and competency management to support business objectives.

Mitigation plans

- Initiatives in place to build a progressive culture and engaged workforce, spanning employee wellbeing, diversity, and inclusion, learning and development and career progression.
- Succession planning framework in place that continuously identifies and evaluates prospective external and internal talent. Benchmarked internal and external talent, facilitated by the creation of detailed succession profiles.

Corporate Information

Board of Directors

NON EXECUTIVE (NON INDEPENDENT) DIRECTORS

Mr. N. Chandrasekaran (Chairman)

Mr. P. B. Balaji

INDEPENDENT DIRECTORS

Dr. K. P. Krishnan

Mr. Bharat Puri

Ms. Shikha Sharma

Mr. Siraj Chaudhry

Mr. David Crean

EXECUTIVE DIRECTORS

Mr. Sunil D'Souza (MD and CEO)

Mr. L. Krishnakumar (ED and Group CFO)

COMPANY SECRETARY

Mr. Neelabja Chakrabarty
(Senior Vice President and Company Secretary)

Board Committees

AUDIT COMMITTEE

Dr. K. P. Krishnan, (Chairman)

Mr. Siraj Chaudhry

Mr. Bharat Puri

Ms. Shikha Sharma

Mr. David Crean (inducted w.e.f. 1 April 2023)

NOMINATION AND REMUNERATION COMMITTEE

Ms. Shikha Sharma (Chairperson)

Mr. N. Chandrasekaran

Mr. Bharat Puri

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Siraj Chaudhry (Chairman)

Mr. Sunil D'Souza

Mr. L. Krishnakumar

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY COMMITTEE

Mr. Siraj Chaudhry (Chairman)

Ms. Shikha Sharma

Dr. K. P. Krishnan

RISK MANAGEMENT COMMITTEE

Mr. Bharat Puri (Chairman)

Ms. Shikha Sharma

Mr. Siraj Chaudhry

Mr. David Crean

EXECUTIVE COMMITTEE

Mr. Sunil D'Souza (Chairman)

Mr. L. Krishnakumar

Mr. Ajit Krishnakumar (Non Board Member)

Registered office

1, Bishop Lefroy Road, Kolkata 700 020
T: 033-22813779 | 3891 | 4422 | 4747 | 66053400
F: 033-22811199 | W: www.tataconsumer.com

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

Registrar & Transfer Agent

TSR Consultants Private Limited
Unit: Tata Consumer Products Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai 400 083
T: 022-66568484 | F: 022-66568494
W: https://www.tcplindia.co.in
E: csg-unit@tcplindia.co.in

Kolkata Office of RTA

C/o Link Intime India Private Limited
Vaishno Chamber, Flat No. 502 and 503,
5th Floor, 6, Brabourne Road,
Kolkata – 700 001
T +91-33-4008 1986
E: tsrdlcal@tcplindia.co.in

Bankers

Axis Bank Limited
Bank of America N.A.
Bank of Baroda
Citibank N.A.
HDFC Bank Limited
ICICI Bank Limited
IndusInd Bank Limited
JP Morgan Chase Bank N.A
Kotak Mahindra Bank Limited
Standard Chartered Bank
State Bank of India
The Hongkong and Shanghai Banking Corporation Limited

Solicitors and legal advisers

Anand and Anand
AZB & Partners
Chandhiok & Mahajan
Cyril Amarchand Mangaldas
Dua Associates
Joseph & Kuriyan
JSA Advocates & Solicitors
Khaitan & Co.
Luthra and Luthra
Markos & Co.
Shardul Amarchand Mangaldas
Thomas & Thomas
Victor Moses & Co.
Wadia Ghandy & Co.

TEN YEAR FINANCIAL HIGHLIGHTS

Rs. in Crores

		INDAS							IGAAP		
Particulars	**2022-23**	**2021-22**	**2020-21**	**2019-20**	**2018-19**	**2017-18**	**2016-17**	**2015-16**	**2015-16**	**2014-15**	**2013-14**
STANDALONE FINANCIAL HIGHLIGHTS											
Revenue from Operations	8539	7932	7154	5690	3430	3217	3064	2987	3084	2885	2683
EBIDTA	1323	1111	919	806	464	502	363	360	343	317	284
Operating Profits (EBIT)	1177	969	793	692	432	475	339	337	321	297	268
Operating Profits Margin	13.8%	12.2%	11.1%	12.2%	12.6%	14.7%	11.1%	11.3%	10.4%	10.3%	10.0%
Profit before Tax	1267	1151	836	729	576	723	386	317	661	349	585
Profit after Tax	950	886	620	524	411	534	276	226 $	564	289	447
Earnings per Share (Rs.) #	10.27	9.61	6.72	5.68	6.51	8.47	4.37	3.59	8.93	4.58	7.23
Dividend per Share (Rs.)	6.05	4.05	2.70	2.50	2.5	2.35	2.25	2.25	2.25	2.25	2.25
Dividend payout @	558	373	249	186	182	170	168	164	164	162	147
Shareholders' Funds	12753	11762	11224	10850	4444	4213	3785	3437	2896	2502	2573
Capital Employed ^	5212	4357	3805	3588	3396	3079	3635	3505	2941	2837	2799
Total Debt to Equity *	0.02	0.02	0.02	0.02	0.00	0.02	0.01	0.13	0.13	0.19	0.18
Return on Capital Employed (%)	22.6%	22.2%	20.8%	19.3%	12.7%	15.4%	9.3%	9.6%	10.9%	10.5%	9.6%
Return on Net Worth (%)	7.8%	7.7%	5.6%	4.9%	9.5%	13.4%	7.6%	6.5%	20.9%	11.4%	18.3%
Book value per Share (Rs.) *	137.04	127.39	121.56	117.50	70.07	66.42	59.62	54	45.54	39.29	41.26
Market Capitalisation	65853	71631	58881	27173	12871	16330	9501	7652	7652	9202	9279
No.of Employees	3040	2932	2852	2689	2409	2565	2555	2552	2552	2549	2466
CONSOLIDATED FINANCIAL HIGHLIGHTS											
Revenue from Operations	13783	12425	11602	9637	7252	6815	6780	6637	8111	7993	7738
EBITDA	1874	1749	1569	1310	837	851	801	666	678	777	753
Operating Profits (EBIT)	1570	1471	1315	1069	715	735	675	549	535	643	624
Operating Profits Margin	11.4%	11.8%	11.3%	11.1%	9.9%	10.8%	10.0%	8.3%	6.6%	8.0%	8.1%
Profit before Tax	1794	1456	1311	809	735	753	662	170	545	500	707
Net Profit after Non Controlling Interest	1204	936	857	460	408	496	389	(6) $	326	248	481
Earnings per Share (Rs.) #	13.02	10.15	9.30	4.99	6.47	7.85	6.17	-0.09	5.16	3.93	7.77
Shareholders' Funds	17127	15142	14535	13815	7332	7,032	6,266	6,247	5,719	5,493	5,849
Capital Employed ^	4575	4482	3791	4078	3650	3000	3232	3276	2719	2423	2355
Total Debt to Equity *	0.09	0.09	0.10	0.11	0.14	0.13	0.11	0.19	0.18	0.21	0.21
Return on Capital Employed (%)	34.3%	32.8%	34.7%	26.2%	19.6%	24.5%	20.9%	16.8%	19.7%	26.6%	26.5%
Return on Net Worth (%)	7.9%	6.4%	6.1%	4.0%	5.6%	7.3%	6.4%	-0.5%	5.0%	3.8%	7.8%
Book value per Share (Rs.) *	174.97	164.07	157.48	149.67	115.82	111.07	98.93	98.64	89.96	86.38	93.90

@ Includes Tax On Dividend where applicable

^ Capital Employed = Tangible Net Worth (including Non Current Investments) + Total Debt + Deferred Tax Liabilities

* Total Debt includes Lease Liabilities. Equity excludes Revaluation Reserves.

$ 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 + finance cost - interest and investment income

Represents Basic Earnings per share

Statutory Reports

Board's report

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Management discussion and analysis

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Corporate governance report

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Business responsibility and sustainability report

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BOARD'S REPORT

Dear Members,

The Board of Directors is delighted to present the 60th 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, 2023.

In compliance with the applicable provisions of the Companies Act, 2013, ("**the Act**"), the Securities and Exchange Board of India ("**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, joint ventures, and associate companies and their contribution to the overall performance of the Company during the year under review.

OVERVIEW OF FINANCIAL PERFORMANCE

Key highlights of consolidated and standalone financial performance for the year ended March 31, 2023, are summarised as under:

(₹ in Crores)

Particulars	Consolidated		Standalone	
	FY 2023	FY 2022	FY 2023	FY 2022
Revenue from Operations	13,783	12,425	8,539	7,932
Profit before Exceptional Items and Taxes	1,634	1,508	1,306	1,178
Exceptional items (net)	159	(52)	(39)	(27)
Profit before Tax	**1,794**	**1,456**	**1,267**	**1,151**
Provision for Tax	(447)	(377)	(317)	(265)
Profit after Tax	**1,347**	**1,079**	**950**	**886**
Share of net profit/(loss) in Associates and Joint Ventures	(26)	(64)	-	-
Profit for the year	**1,320**	**1,015**	**950**	**886**
Attributable to:				
- Owners of the parent	**1,204**	**936**	**950**	**886**
Retained Earnings - Opening Balance	**6,972**	**6,396**	**4,039**	**3,503**
Add /(Less):				
- Profit for the year	1,204	936	950	886
- Other Comprehensive Income/(Expense)	(75)	31	14	23
- Dividend Paid	(558)	(373)	(558)	(373)
- Other items	(171)	(18)	3	-
Retained Earnings - Closing Balance	**7,372**	**6,972**	**4,448**	**4,039**

FINANCIAL HIGHLIGHTS

CONSOLIDATED PERFORMANCE

Consolidated revenue from operations for the year at ₹ 13,783 Crores grew by 11%. India Branded Business grew by 10%, led by volume and value growth in India Salt and continuation of the growth story in the Ready-to-Drink, Sampann and Soulfull portfolio fueled by increased distribution. The revenue from India Beverages was marginally lower due to stress in rural demand for most of the year and the delayed onset of winter. International Business topline grew by 6%, in constant currency, driven by price increases taken across markets to offset inflationary headwinds and weakness in the currency. Non-Branded business grew by 21%, in constant currency, on account of favourable price realizations for coffee extraction and plantations business.

Profit before exceptional items and taxes at ₹ 1,634 Crores grew by 8%. Operating margins largely remained

in line with the previous year, despite commodities and currency facing significant inflationary trends for a major part of the year. India Branded Business delivered operating margins higher than previous year despite elevated commodity costs and inflationary pressures through price increases and good control over costs. International Business operating margins declined mainly due to inflationary pressure on commodities and distribution costs, weakness in currency and lag in pricing interventions. Non-Branded Business operating margins also improved over the previous year.

The Group's net profit at ₹ 1,320 Crores grew by 30% mainly on account of higher operating profit, higher exceptional income and improvement in the performance of Joint Venture and Associate companies. Tata Starbucks performance improved significantly driven by the opening of 71 new stores and improved in-store performance and offerings. Higher exceptional income is mainly on account of accounting gain on the conversion of Joint Ventures in South Africa and Bangladesh into subsidiaries and profit on the sale of investment property in Tata Coffee Limited partly offset by costs relating to restructuring and re-organization.

STANDALONE PERFORMANCE

Revenue from operations at ₹ 8,539 Crores grew by 8%. Revenue growth was mainly led by Salt and Sampann, whilst the Beverage business was marginally lower than the previous year. Salt business recorded volume and value growth. Sampann and Coffee portfolio recorded strong growth led by increased distribution, higher brand salience and improved performance in e-commerce and modern trade.

Profit before exceptional items and taxes at ₹ 1,306 Crores grew by 11% mainly led by revenue growth and higher operating profits, partly offset by lower dividend income in the current year from subsidiaries. Profit after tax at ₹ 950 Crores was higher by 7% post exceptional items on restructuring and re-organization and merger-related costs.

HIGHLIGHTS OF OPERATIONAL PERFORMANCE

The operational performance of the Company and its business units, key subsidiaries and joint ventures are detailed in the Management Discussion and Analysis forming part of the annual report.

DIVIDEND & RESERVES

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy as adopted and formulated by the Board in terms of Regulation 43A of the Listing Regulations is provided as **Annexure 1** attached to this report and is also available on the website of the Company at the link: https://www.tataconsumer.com/investors/policies

DECLARATION AND PAYMENT OF DIVIDEND

The Board is pleased to recommend a dividend of ₹ 8.45 per equity share of the Company of ₹ 1 each (845%) for the year ended March 31, 2023. The Board recommended dividends based on the parameters laid down in the Dividend Distribution Policy and the dividend will be paid out of the profits for the year.

The said dividend on equity shares is subject to the approval of the Shareholders at the ensuing Annual General Meeting ("AGM") scheduled to be held on June 6, 2023. If approved, the dividend would result in a cash outflow of ₹ 785.01 Crores. The total dividend payout works out to 82.63% (Previous Year: 62.95%) of the Company's standalone net profit.

The dividend once approved by the Shareholders will be paid on or from June 8, 2023, and before July 5, 2023.

BOOK CLOSURE & RECORD DATE

In order to determine the eligibility of shareholders to receive the dividend for the fiscal year ending on March 31, 2023, the Register of Members and Share Transfer Books of the Company will be closed from Saturday, May 20, 2023, to Friday, May 26, 2023 (both days inclusive).

According to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. April 1, 2020, and the Company is required to deduct tax at source 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 does not propose to transfer any amount to general reserve and has decided to retain the entire amount of profit for FY 2022-23 in the profit and loss account.

CHANGE IN SHARE CAPITAL

During the year under review, the Company had issued and allotted 74,59,935 equity shares of ₹ 1 each on October 21, 2022, to Tata Enterprises (Overseas) AG, Zug, Switzerland at a price of ₹ 765.16 per share (inclusive of premium) for a consideration discharged other than by cash i.e., swap of shares. As a result of such allotment, the issued, subscribed and paid-up share capital increased from ₹ 92,15,51,715 (comprising 92,15,51,715 equity shares of ₹ 1 each) to ₹ 92,90,11,650 (comprising 92,90,11,650 equity shares of ₹ 1 each). The equity shares so allotted rank *pari-passu* with the existing equity shares of the Company.

There was no change in the authorized share capital of the Company, which was ₹ 125,00,00,000 comprising of 125,00,00,000 equity shares of ₹ 1 each.

Except as mentioned above, the Company had not issued any other shares or instruments convertible into equity shares of the Company or with differential voting rights nor has granted any sweat equity.

PERFORMANCE SHARE UNITS

The Company has formulated Tata Consumer Products Limited Share-based Long Term Incentive Scheme 2021 ("TCPL SLTI Scheme 2021" or "the Scheme") to offer competitive compensation to attract and retain talent; and to redefine the fixed and performance pay mix to drive a performance culture in the Company at a senior management level. The Scheme is intended to reward, retain and motivate the Eligible Employees of the Company and its subsidiary companies as defined in the Scheme (hereinafter collectively referred to as 'Eligible Employees') for their performance and participation in the growth and profitability of the Company. The said initiative to link the employee's performance in the Company along with other initiatives would contribute to improve the performance of the Company. The Scheme has been formulated in accordance with the provisions of the Companies Act, 2013 ('the Act') and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB&SE Regulations") and during the year under review, there was no change in the Scheme.

The Eligible Employees shall be granted Performance Share Units (PSUs), as determined by the Nomination and Remuneration Committee of the Board, which will vest on particular dates and could be exercisable into fully paid-up Equity Shares of ₹ 1/- (Rupee One Only) each of the Company, on the terms and conditions as provided under the Scheme, in accordance with the provisions of the applicable laws and regulations for the time being in force.

The Company has structured the Scheme for its Eligible Employees with major objectives viz. to drive long-term objectives of the Company; to attract, motivate and retain employees by rewarding them for their performance; ring fence and incentivize key talent to drive long-term objectives of the Company; to ensure that the senior management employees' compensation and benefits match the long gestation period of certain key initiatives; and to drive ownership behaviour and collaboration amongst employees.

Under the Scheme, the Company would grant upto 5,00,000 Performance Share Units **("PSUs")** in one or more tranches to Eligible Employees that would entitle the Grantees to acquire, not exceeding 5,00,000 fully paid-up equity shares of ₹ 1/- (Rupee One Only) each. The number of PSUs to be granted to Eligible Employees is determined based on Long Term Incentive Pay amount to be awarded to Eligible Employees. The PSUs together with existing fixed pay and performance pay comprised the total compensation being offered to selected senior management employees of the Company and its subsidiary companies. The intent is to cover select senior leaders who can make a significant difference to the Company's performance to align their rewards directly to the Company's performance. The value of the award can be realized only on superior business performance leading to superior share price performance over a period of time.

During the year under review, the Company has granted 1,13,545 PSUs to eligible employees in terms of the TCPL SLTI Scheme 2021 and no employee was granted PSUs equal to or exceeding 1% of the issued share capital of the Company. The Vesting period for the PSU granted under the Scheme shall not be less than one year and all the PSUs would vest, based on the Company's performance, within a period of 3 years from the date of Grant of respective PSUs.

The statutory disclosures as mandated under the Act and SBEB&SE Regulation and a certificate from Secretarial Auditors, confirming implementation of the Scheme in accordance with SBEB&SE Regulations and shareholder's resolution have been hosted on the website of the Company at https://www.tataconsumer.com/investors/investor-information/annual-reports and will be available for electronic inspection by the members during the AGM of the Company.

CHANGES IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of the business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

There have been no material changes or commitments that have affected the financial position of the Company between the close of FY 2022-23 and the date of this report.

UPDATE ON CORPORATE RESTRUCTURING

COMBINING TATA COFFEE'S BUSINESS INTO THE COMPANY AND ITS WHOLLY-OWNED SUBSIDIARY THROUGH A COMPOSITE SCHEME OF DEMERGER AND MERGER

During the year under review, the Composite Scheme of Arrangement amongst the Company, Tata Coffee Limited ("TCL"), and TCPL Beverages & Foods Limited ("TBFL") for the Demerger of the Plantation Business of TCL into TBFL and the Amalgamation of remaining business of TCL with the Company ("the Scheme") had been approved by the shareholders of the Company on November 12, 2022, and by the shareholders of TCL on February 3, 2023, by the requisite majority of all members voted on the respective resolution as well as by a majority of the public shareholders voted on the respective resolution.

The Scheme is subject to *inter-alia* receipt of the approval of the Regional Director, MCA and the Registrar of Companies, National Company Law Tribunals (benches at Kolkata and Bengaluru) and other regulatory authorities, as may be applicable.

The Scheme and other documents are hosted on the website of the Company, which can be accessed at the link - https://www.tataconsumer.com/investors/scheme-of-amalgamation/tc-tcplb-with-tcpl.

PURCHASE OF NON-CONTROLLING INTERESTS IN TATA CONSUMER PRODUCTS UK THROUGH A PREFERENTIAL ISSUE OF EQUITY SHARES

During the year under review, upon receipt of relevant approval from Reserve Bank of India on October 7, 2022, in terms of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 and confirmation from Standard Chartered Bank, Authorised Dealer on October 17, 2022, basis the communication issued to them by Reserve Bank of India on October 14, 2022 under Foreign Exchange Management (Overseas Investment) Rules, 2022, the Preferential Issue Committee of the Board of the Company, has allotted 74,59,935 equity shares of the Company having a face value of ₹ 1 each, at a price of ₹ 765.16 per equity share on a preferential basis to Tata Enterprises (Overseas) AG, Zug, Switzerland ("TEO") for a total consideration of ₹ 570.80 Crores on October 21, 2022, discharged by TEO by transfer of 2,38,71,793 ordinary shares of £1 each held by TEO, representing 10.15% of the paid-up share capital of Tata Consumer Products UK Group Limited, United Kingdom, an existing overseas subsidiary of the Company ("TCP UK") in favour of the Company.

With the completion of the said transaction, Tata Consumer Products UK Group Limited and all its subsidiaries became wholly-owned subsidiaries of the Company with effect from October 21, 2022.

STRATEGIC INITIATIVES

The business continued to strengthen its foundations as a Focused Consumer Products Company. During the current year, significant progress was made on the six strategic pillars identified by the Group.

STRENGTHEN AND ACCELERATE CORE BUSINESS

The Company continued to focus on the core business and innovations to drive growth through higher investment behind brands, increased assortment, increased distribution reach and digitisation. The Company, during the year, has made significant progress and reached direct 1.5 Million outlets. Further, with an increased portfolio, the Company has implemented split routes to drive assortment, increase the depth and focus on growth drivers in all 10 lacs plus towns. To improve execution in semi-urban areas, the Company focused on the conversion of a large number of sub-distributors to direct distributors. Significant progress was made in sales through alternate channels with modern trade growing significantly and the Company further strengthened its position in the e-commerce channel. Packaged Beverages continued to focus on growing premium brands. In Salt, apart from strengthening the base Tata Salt, we continue to look at expanding our value-added range and driving premiumisation.

DRIVE DIGITAL AND INNOVATION

The Company continues to focus on driving digital in every part of the business to stay in tune with technological advancements and drive efficiencies across the value chain. During the year, it integrated mostly all group companies into SAP S/4 HANA framework. The Company, in order to support the sales transformation, implemented a self-service enabled sales order portal for general trade sales channels. The Distributor Management Software (DMS) was consolidated for both Beverages and Foods portfolios and was also extended to Ready-to-Drink business. Further to drive growth, it increased focus on Revenue growth management initiatives. The Company used digital technologies to enable efficiencies in operations and had also implemented the Integrated Business Planning solution for India Business, a CRM Platform for customer service, warehouse management for Bin and Picklist and Advanced Blend optimizer for tea using Machine Learning Solutions.

Innovation is a strong strategic pillar as the Company focused on understanding and pre-empting evolving consumer trends and developing high-quality and differentiated products to delight increasingly discerning consumers. It leveraged technology to drive cost reduction/ optimization. During the year, the Company has invested behind infrastructure, now having three centers of excellence, as well as team capabilities and increased the contribution of innovation to overall revenue.

EXPLORE NEW OPPORTUNITIES

The Company aspires to be a leading player in the FMCG industry, by expanding its play in existing categories and venturing into new spaces. It evaluates both organic and inorganic routes to capitalize on industry trends and tap into new consumers or markets. This includes piloting launches into new categories by leveraging a differentiated offering and a 'right-to-win' strategy and realigning capital investments to markets or businesses that have higher growth potential and the ability to generate sustainable returns.

During the year, the Company ventured into the protein and plant-based meat category in India with the launch of "Tata Go-Fit" and "Tata Simply Better" brands. Tata GoFit plant protein powder is a plant-based easy-to-mix product formulated with the goodness of gut-friendly probiotics, essential amino acids and digestion-friendly enzymes. Tata Go Fit brand is aimed at helping women along on their fitness journey. Tata Simply Better has four delicious plant-based meat variants. The product range is rich in protein, trans-fat free, and has no added preservatives. The Company also ventured into the Ready-to-Eat/Ready-to-cook segment with our new brand "Raasa" in the International markets.

UNLOCK SYNERGIES

The focus to unlock synergies and improve efficiency continued. Operations were further streamlined in India and International markets to drive operational efficiency. Integration of Teapigs UK and US into the main UK and US operations respectively which would help in achieving higher efficiency. Further, the Group has acquired a controlling stake in Joekels by increasing its shareholding to 75% with a further option to buy the balance 25% at a future date and also acquired a 100% stake in Bangladesh JV. The aforementioned two acquisitions would help the company in increasing its footprint in the global space and tap into growing International markets. Further during the year, the Company transferred and consolidated all back-end finance operations of India, US, UK and Canada under a shared service center in India "Pivot platform" to have an efficient structure and optimisation of costs.

During the year under review, the Company completed the acquisition of an additional stake of 10.15% in Tata Consumer Products UK Group Limited, resultantly the entity and all its subsidiaries became wholly-owned subsidiaries of the Company with effect from October 21, 2022, by way of preferential issue of equity shares of the Company to Tata Enterprises (Overseas) AG, Switzerland.

Further, the merger/demerger of Tata Coffee with the Company was approved by the shareholders of the Company and Tata Coffee and expect the same to be effected by the first half of the financial year 2023-24. Post the same, the Company would look at the next stage of reorganization of the non-branded business to explore additional synergies.

CREATE FUTURE-READY ORGANISATION

The Company is committed to building a culture that empowers our people to realise the shared vision. It also ensures that our people have the opportunity to drive greater impact through meaningful and productive careers – this year, around 31% of all our open position globally were filled internally. On April 19, 2022, the Women's Inclusion Network platform was launched for women colleagues to help them connect, learn and grow.

EMBED SUSTAINABILITY

As part of the Tata Group, the ethos of responsibility and sustainability are interwoven in the corporate and work philosophy. The Company is committed to a sustainable way of doing business and for more details refer to Management Discussion and Analysis Report. Further, the Business Responsibility and Sustainability Report ("BRSR") covering disclosures on Company's performance on ESG (Environment, Social and Governance) parameters for FY 2022-23, forms an integral part of the Integrated Annual Report. BRSR includes details on performance against the nine principles of the National Guidelines on Responsible Business Conduct.

SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATE COMPANIES

As defined under the Act, the Company has 43 subsidiaries, 2 joint ventures, and 2 associate companies as of March 31, 2023.

COMPANIES THAT HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATES

Conversion of Tetley ACI (Bangladesh) Limited from a joint venture to a wholly-owned subsidiary company

During the year under review, Tata Consumer Products Overseas Holdings Limited, ("TCP Overseas"), a step-down wholly-owned subsidiary of the Company, which held 50% share capital of Tetley ACI (Bangladesh) Limited, Bangladesh ("Tetley ACI"), together with Tata Consumer Products UK Group Limited ("TCP UK") has purchased remaining 50% share capital of Tetley ACI from the Joint-Venture partner - Advanced Chemical Industries Limited ("ACI"). As a result of the acquisition, the Joint Venture Agreement between ACI and TCP Overseas stand terminated, and Tetley ACI became a wholly-owned subsidiary of TCP UK and a step-down wholly-owned subsidiary of the Company with effect from February 9, 2023.

Increase in stake in Joekels Tea Packers (Proprietary) Limited

During the year under review, TCP Overseas, a step-down wholly owned subsidiary of the Company through TCP UK (direct WOS), had purchased 23.3% of the share capital of Joekels Tea Packers (Proprietary) Limited, Republic of South Africa ("Joekels"), from its Joint-Venture partners. As a result of such acquisition, the holding of TCP Overseas in Joekels increased from 51.7% to 75% of the equity share capital and the remaining 25% was held by the joint venture partners.

MATERIAL SUBSIDIARIES

The Company has 3 unlisted material subsidiaries incorporated outside India i.e. Tata Consumer Products GB Limited, Tata Consumer Products UK Group Limited, and the Eight O'clock Coffee Company Limited.

The Policy for determining Material Subsidiaries as formulated in line with the requirements of the Act and the Listing Regulations, and the same can be accessed on the Company's website at https://www.tataconsumer.com/investors/policies.

CONSOLIDATED FINANCIAL STATEMENTS

According to Section 129(3) of the Act, the consolidated financial statements of the Company and its subsidiaries, joint ventures, and associates are prepared in accordance with the relevant Indian Accounting Standard specified under the Act, and the rules thereunder and form part of this Annual Report. A statement containing the salient features of the financial statements of the Company's subsidiaries, joint ventures, and associates 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, at the link: https://www.tataconsumer.com/investors/investor-relations/subsidiaries/subsidiary-financials.

The details of the business of key operating subsidiaries, associates, and joint ventures during FY 2022-23 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 ("TCP UK")

TCP UK reflects the financial performance of International Tea Business. The major brands are Tetley, Good Earth and Teapigs. Revenue at ₹ 2,089 Crores, grew by 3% in constant currency. Revenue growth was mainly driven by price increases taken to offset inflationary pressures. Operating margins were lower mainly due to significant

inflationary headwinds on input, distribution costs, currency weakness and lag in price intervention. Profit after tax at ₹ 220 Crores reflected a growth of 54% mainly driven by higher exceptional income on account of accounting gain on the conversion of Joint Ventures in South Africa and Bangladesh into the subsidiaries.

In the UK, revenue remain largely in line with previous year in constant currency. Price increases were taken in the current year, however it witnessed a volume decline on account of category softness. The decline was mainly in the black tea segment in mainstream grocery due to the high inflation environment which also fueled significant growth in private labels and discounters. However, Teapigs and Good Earth revenues continued the growth momentum. Teapigs Kombucha was launched this year, following the launch of Good Earth Kombucha range in the previous year. Leveraging the health & wellness platform – Tetley Supers, Specialty and Herbals ranges performed well. Tetley Herbals is now ~1% share of the total F&H segment. Good Earth Kombucha and Good Energy (natural energy drink) launches have shown encouraging results. During the year, the UK business went through restructuring with Teapigs business being integrated and the sales operations restructured to be in line with the overall International three brand strategy. Operating margins marginally declined on account of inflationary headwinds on inputs and distribution costs, currency weakness and lag in price intervention. Investment behind brands continued with a new campaign on "Tetley" on National TV and social media and Teapigs and Good Earth ran social media campaigns to improve the saliency of the brands.

In Canada, we continue to hold the leading position in the Tea market. For the current year, revenue grew by 9% in constant currency led by price increases and volume growth despite category softness. Tetley emerged as "Most Trusted Tea Brand 2022" - Reader's Digest, for the 9th consecutive year reinforcing our position in the consumer's mind, more so after the pandemic. Operating margins were lower on account of inflationary headwinds on input and distribution costs which were partly offset by price increases taken during the year. Investment behind the brand continued with the new campaign "Live Tea" and significant steps were taken to increase the digital footprint of Tetley.

Other smaller markets had similar performances. Australia, Poland and Western Europe revenue grew mainly led by price increases. All markets were impacted on account of inflationary headwinds present on commodities/distribution costs on account of supply-side issues and currency weakness. Price interventions were taken to improve the operating margins, however, at a lag, which had a negative impact on the operating margins in the earlier part of the year, saw improvement in the latter part of the year both due to price increases becoming effective and also due to implementation of cost restructuring initiatives.

Eight O'Clock Coffee Company, USA ("EOC"):

Revenue from Operations at ₹ 1,489 Crores, grew by 7% in constant currency. Revenue growth was mainly on account of price increases taken to mitigate inflation on the cost of greens. Operating margins were lower mainly driven by inflationary headwinds in commodity and distribution costs. Profit after tax at ₹ 117 Crores was lower by 32%. The Company ran a new digital campaign– "Over delivery in every cup" for the core Eight O'Clock coffee brand and video creatives for Barista blends - "Be Your Own Barista" proposition to drive awareness. Innovation focus was maintained with range extensions in Flavors of America and Barista Blends.

NourishCo Beverages Limited, India ("NourishCo"):

Revenue from Operations at ₹ 621 Crores grew by 80% over the previous year, driven by strong brand performance and higher distribution reach. All three flagship brands – Tata Gluco Plus, Tata Copper Plus, and Himalayan registered strong growth. Tata Gluco Plus grew by 53%, the growth was mainly led by increased distribution reach in existing territories and expansion into new geographies within India along with support through a TV campaign. Tata Gluco Plus innovations, Juice and Jelly Shake received encouraging responses from the customers. Tata Copper Plus continued its growth momentum with increased distribution in existing and new markets and contributed significantly to the overall revenue of the Company. Himalayan grew by 85% driven by increased distribution, activation of institutional accounts and leveraging digital mediums and e-commerce channels, also forayed into the Honey and Preserve category with new launches.

Tata Coffee Limited, India ("TCL"):

Revenue from Operations at ₹ 1,023 Crores grew by 25% against the prior year. Revenue growth was driven by higher revenues from coffee extractions and coffee plantations partly offset by underperformance in tea plantations. Coffee extraction business experienced a challenging demand scenario, especially in Africa, which was mitigated through the acquisition of new customers and adding new geographies to the portfolio. Coffee plantation business witnessed a sharp increase in coffee prices during the early part of the year which aided the topline, however was impacted by lower crops. Tea plantations were impacted by lower volumes on account of adverse weather conditions and lower price realisation. The operational profit improved both for

coffee extraction and coffee plantations on account of increased realisation which was partly offset by input cost inflation and higher wage costs in tea plantations. Profit after tax at ₹ 231 Crores, grew by 127% mainly on account of improved profitability margins and exceptional income on the sale of investment property.

Tata Coffee Vietnam Company Limited, Vietnam ("TCV"):

Revenue from Operations at ₹ 343 Crores, grew by 23% in constant currency. TCV recorded a Profit after tax of ₹ 14 Crores, which grew by 163%. Revenue growth was led by both higher volume and realization and also on account of faster go-to-market strategy. Profitability improvement was mainly led by revenue growth and efficient management of significant inflationary pressure on costs.

ASSOCIATES

Amalgamated Plantations Private Limited, India ("APPL"):

Revenue from Operations at ₹ 967 Crores, grew by 13% mainly led by improvement in price realization of own crop led by quality improvement and higher volumes. Despite this, performance was adversely impacted by the increase in wage cost both in Assam and West Bengal and other cost inflation.

Kanan Devan Hills Plantations Company Private Limited, India ("KDHP"):

Revenue from Operations at ₹ 454 Crores, grew by 15% mainly led by higher price realization and increase in volumes. Profit after tax was largely in line with the previous year. Improvements on account of higher revenue offset by higher costs and increased wages in South India.

JOINT VENTURE

Tata Starbucks Private Limited, India ("TSPL"):

Revenue from Operations at ₹ 1,087 Crores grew by 71% driven by improved performance of existing stores and the opening of new stores. TSPL extended its reach to 15 new cities and added 71 new stores during the year. Revenue growth was led by the increase in average daily transactions, higher footfalls, upgraded food & beverages and smaller size offerings introduced in select stores. During the year, the Company celebrated its 10th year anniversary in India and opened its first ever 'Reserve Store' in Fort, Mumbai. The store offers the mocha aficionados, an intimate and incomparable multisensory experience and will provide customers with a place to unwind and connect over the store's signature hand-crafted beverages with a selection of freshly baked treats.

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

BOARD OF DIRECTORS

The Board of the Company is comprised of eminent persons with 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.

During the year under review, the composition of the Board has been expanded from 8 Directors to 9 Directors by the induction of Mr. David Crean as an Independent Director. As on the date of the report, the Board comprises, 5 Independent, 2 Non-Executive and 2 Executive Directors, details thereof have been provided in the Corporate Governance Report.

In terms of the requirement of the 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. The list of key skills, expertise and core competencies of the Board of Directors is detailed in the Corporate Governance Report.

In the opinion of the Board, all the directors, as well as the directors appointed / re-appointed during the year possess the requisite qualifications, experience and expertise and hold high standards of integrity.

Criteria for determining qualification, positive attributes and independence of a director is given under the NRC Policy, which can be accessed at the link - https://www.tataconsumer.com/investors/policies

APPOINTMENT/RE-APPOINTMENT OF DIRECTORS MADE DURING FY 2022-23

Based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board approved the appointment/re-appointment of the following Directors, during FY 2022-23 and such appointment/re-appointment were also approved by the Members at the 59th Annual General Meeting held on June 27, 2022 ("59th AGM"):

1. Mr. David Crean (DIN 09584874), who was appointed by the Board as an Additional Director under the category of Non-Executive, Independent Director with effect from May 4, 2022, was appointed as a Non- Executive Director of the Company at the

59th AGM. The Members also approved the appointment of Mr. David Crean as an Independent Director of the Company for a term of five years commencing from May 4, 2022 upto May 3, 2027.

2. Mr. Siraj Chaudhry (DIN 00161853), Independent Director of the Company whose first term of 5 years expired on July 2, 2022, was re-appointed for the second term of five years commencing from July 3, 2022 upto July 2, 2027.

3. Mr. P. B. Balaji (DIN 02762983), Non-Executive (Non-Independent) Director of the Company, who retired by rotation in terms of Section 152(6) of the Companies Act, 2013 was re-appointed.

The Board affirms that Mr. David Crean and Mr. Siraj Chaudhry meet the criteria of independence as provided in Section 149(6) of the Act, including rules framed thereunder, as well as Regulation 16(1)(b) of the Listing Regulations.

RE-APPOINTMENT OF DIRECTORS RETIRING BY ROTATION

In terms of the provisions of the Companies Act, 2013, Mr. N. Chandrasekaran (DIN 00121863) Non-Executive (Non-Independent) Director of the Company, retires at the ensuing AGM and being eligible, seeks re-appointment. A resolution seeking the re-appointment of Mr. N. Chandrasekaran forms part of the Notice convening the ensuing Annual General Meeting scheduled to be held on June 6, 2023.

The profile and particulars of experience, attributes and skills of Mr. N. Chandrasekaran together with his other directorships and committee memberships have been disclosed in the annexure to the Notice of the Annual General Meeting.

RE-APPOINTMENT OF EXECUTIVE DIRECTOR

Mr. L. Krishnakumar (DIN 00423616) was appointed as Whole-time Director and designated as "Executive Director and Group Chief Financial Officer" effective April 1, 2013 till March 31, 2018. He was then re-appointed as Executive Director and Group Chief Financial Officer for a further period of five years from April 1, 2018, till March 31, 2023. Mr. L. Krishnakumar's term as Executive Director and Group CFO was ended on March 31, 2023, and as per the Governance Guideline on Board Effectiveness for the Tata Group Companies, the retirement age for Managing/Executive Directors is 65 years. Accordingly, he is eligible for re-appointment upto the attainment of the age of 65 years. Based on performance evaluation and the recommendation of the NRC, the Board, at its meeting held on March 29, 2023, re-appointed Mr. L. Krishnakumar as a Whole-time Director designated as "Executive Director and Group Chief Financial Officer" of the Company for a further period of 7 months effective April 1, 2023 upto October 31, 2023, subject to the approval of the Members.

The profile and particulars of experience, attributes and skills of Mr. L. Krishnakumar together with his other directorships and committee memberships have been disclosed in the annexure to the Notice of the Annual General Meeting.

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.

INDEPENDENT DIRECTORS

Mr. Bharat Puri, Ms. Shikha Sharma, Mr. Siraj Chaudhry, Dr. K. P. Krishnan, and Mr. David Crean are Independent Directors on the Board.

All 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 the Listing Regulations and they continue to comply with the Code of Conduct laid down under Schedule IV of the Act. 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 that 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. The Directors have further confirmed that they are not debarred from holding the office of the director under any SEBI order or any other such authority.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied with the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors.

Unless exempted, Mr. David Crean will be required to pass the proficiency test within the permissible time limit.

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 a shorter 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 held 5 (five) meetings during FY 2022-23, details thereof have been provided in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations.

KEY MANAGERIAL PERSONNEL

As on the date of this report, the following are Key Managerial Personnel ("KMPs") of the Company as per Sections 2(51) and 203 of the Act:

a) Sunil D'Souza, Managing Director & CEO,

b) L. Krishnakumar, Executive Director & Group CFO,

c) Sivakumar Sivasankaran, Chief Financial Officer, India and

d) Neelabja Chakrabarty, Company Secretary.

Mr. John Jacob retired as Chief Financial Officer, India and Key Managerial Personal of the Company w.e.f. close of business hours on May 31, 2022, on attaining the age of superannuation. The Board placed on record its sincere appreciation for the contribution made by him over the years.

Consequent to the above retirement and based on the recommendation of the NRC and approval of the Audit Committee, the Board of Directors of the Company, had appointed Mr. Sivakumar Sivasankaran as Chief Financial Officer, India and as Key Managerial Personnel of the Company effective June 1, 2022.

COMMITTEES OF THE BOARD

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

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility & Sustainability 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 disclosed in the Corporate Governance Report, a part of this Annual Report.

The Board, from time to time, based on necessity, has delegated certain operational power to committees of directors formed for specific purposes like disinvestment of non-strategic investment, matters relating to the Scheme of Arrangement, Preferential issue of shares, etc.

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. As on March 31, 2023, the Committee comprises of the Independent Directors - Dr. K. P. Krishnan (Chairman), Mr. Bharat Puri, Ms. Shikha Sharma, and Mr. Siraj Chaudhry. The Committee met 8 (eight) times during the year under review, the details of which are given in the Corporate Governance Report. Mr. David Crean, Independent Director was inducted as a member of the Audit Committee effective April 1, 2023.

The Audit 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.

During the year under review, the Board accepted all recommendations made by the Audit Committee.

BOARD GOVERNANCE

The Nomination and Remuneration Committee ("NRC") of the Board is 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.

NOMINATION & APPOINTMENT OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, NRC has formulated, and the Board has adopted a Policy on the appointment and removal of Directors including the Board Diversity Policy ("NRC Policy"). NRC Policy is hosted on the website of the Company at: www.tataconsumer.com/investors/policies. NRC has also formulated the criteria for determining qualifications, positive attributes, and independence of Directors, which has been embedded in NRC Policy.

NRC makes recommendations to the Board regarding the appointment/re-appointment of Directors, Key Managerial Personnel ("KMPs") and other members of the Senior Management. 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.

NRC is also responsible for reviewing the profiles of potential candidates vis-à-vis the required competencies, undertaking reference, and due diligence, and meeting 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 Company's governance guidelines cover aspects mainly relating to the composition and role of the Board, Chairman and Directors, Board diversity, and Committees of the Board. As per the Company's policy on the 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.

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 NRC Policy which sets out the approach to the diversity of the Board of Directors. The said Policy is hosted on the website of the Company at: www.tataconsumer.com/investors/policies.

REMUNERATION OF EXECUTIVE DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of Listing Regulations, NRC has also formulated a policy relating to the remuneration for the Directors, KMP, Senior Management and other employees, which is hosted on the website of the Company at: www.tataconsumer.com/investors/policies. The philosophy for remuneration is based on the commitment to fostering a culture of leadership with trust.

In accordance with the policy, the Managing Director, Executive Director, KMPs, Senior Management and employees are paid a fixed salary which includes basic salary, allowances, perquisites and other benefits and also annual incentive remuneration / performance-linked incentive/share-based employee benefit/performance-based shares/units, 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 and may be paid in the form of a cash component (Short-Term Incentive) and long-term performance shares units (Long-Term Incentive).

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, the complexity of the business and the Company's capacity to pay the remuneration.

The Company pays a sitting fee of ₹ 30,000 per meeting per Director for attending meetings of the Board, Audit, Nomination and Remuneration and Executive Committees. For meetings of all other Committees of the Board, a sitting fee of ₹ 20,000 per meeting per Director is paid.

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 or such other percentage as may be specified by the Act, from time to time. No Stock option has been granted to any Non-Executive Director.

As a policy, Mr. N. Chandrasekaran, Chairman, has abstained from receiving a commission from the Company. Further, in line with the internal guidelines of the Company, no payment is made towards commission to Mr. P.B. Balaji, Non-Executive Director of the Company, who is in employment with another Tata Company.

BOARD EVALUATION PROCESS

The Board of Directors carried out an annual evaluation of its own performance, Board Committees, and Individual Directors in accordance with the Act, Listing Regulations, and Governance Guidelines. The Nomination and Remuneration Committee led an internal evaluation process to assess the performance of the Board, its committees, and individual directors.

The performance of Individual Directors was reviewed by the Board and the NRC, with criteria such as preparedness, constructive contributions, and input in meetings. Non-Independent Directors, the Board as a whole, and the Chairman of the Company were evaluated at a separate meeting of Independent Directors, with input from Executive and Non-Executive Directors. The evaluation results were discussed at the Board meeting, where an action plan was agreed upon. The Company also acted on feedback received from the previous year's evaluation process. For more details on the Board Evaluation Process, please refer the "Board Evaluation" section of the Corporate Governance Report.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has comprehensive internal control mechanism and also has in place adequate 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, and the size and complexity of its operations and such internal financial controls concerning the Financial Statements are adequate.

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. The remediation of deficiencies as identified 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. Further, Statutory Auditors in its report expressed an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

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 Enterprise Risk Management Policy and Risk Charter defining the risk management governance model, risk assessment, and prioritization process. Risk Management Framework of the Company integrates leading risk management standards and practices. In developing the Risk Management Framework, the focus has been to design

a process that addresses the Company's business needs while remaining simple and pragmatic. Risk Management Framework of the Company outlines the series of activities that the Company would use in identifying, assessing, and managing its risks.

The Risk Management Framework of the Company consists of two key components:

- Risk management process: the steps and activities that Company would employ to identify, prioritize, and manage risks; and
- Risk management structure: the enablers that facilitate the implementation of the 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 organization has benchmarked the Company's risk management practice with various companies in India and globally and pronounced it as a leader in the FMCG category. The Company was consecutively for the third time declared as the winner in the category in "Master of Risk in FMCG category", at the eighth edition of The India Risk Management Awards 2022 by CNBC TV-18 and ICICI Lombard. These awards recognize those organizations and teams that have significantly added to the understanding and practice of risk management.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

The Company is a strong believer in the Tata Group philosophy of giving back to the community and acknowledging the role played by communities in the growth of our business. The Company stand 'For Better Living' which embeds actions towards For Better Communities, For Better Nutrition, For Better Sourcing, and For Better Planet. The Company is targeting to improve the lives of 1 million community members by 2023.

CSR activities, projects, and programs undertaken by the Company are in accordance with Section 135 of the Act and the rules made thereunder. Such CSR activities exclude activities undertaken in pursuance of its normal course of business. During the year under review, the CSR initiatives of the Company focused on women empowerment, affordable health care, empowerment of differently abled, WaSH (Water, Sanitation and Hygiene), Rural Development and Education and Skilling. Such CSR projects undertaken by the Company contribute to Sustainable Development Goals (SDGs)

Under Section 135 of the Act, the Company was required to spend ₹ 16.59 Crores (2%) of the average qualifying net profits of the last three financial years on CSR activities on projects in FY 2022-23. During the year under review, the Company has spent ₹ 15.72 Crores on CSR activities, ₹ 0.45 Crores towards Administrative Overheads and ₹ 0.07 Crores towards Impact Assessment, which is permissible under CSR Rules. Thereby spending ₹ 16.24 Crores on CSR activities and setting off ₹ 0.35 Crore from the excess amount spent in FY 20-21 and FY 21-22 towards the total CSR obligation for FY 2022-23, the Company has fulfilled its obligation of spending ₹ 16.59 Crores (2% of the average net profit as per section 135(5) for FY 2022-23. The Board of Directors has approved the same. 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.

Sustainability remains a core priority for the Company. In pursuit of this objective, the Company have been actively investing in solar energy to fulfil its energy requirements. Additionally, the Company have taken concerted measures to promote energy conservation, enhance health and safety conditions, and improve other related aspects in its operations. As part of climate adaptation efforts, the Company has conducted a comprehensive evaluation of its carbon footprint across Scope 1, 2, and 3, which was independently verified by the British Standard Institution [BSI]. As a founding member of the Trustea Sustainability code and verification system, the Company have supported its activities. In line with the Company's Sustainable sourcing program, the Company has obtained 55% of its tea from Trustea certified producers in India. In FY 2022-23, the Company has spent over Rs. 8 Crores towards advancing its sustainability endeavours.

The Annual Report on CSR containing particulars as prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided in **Annexure 2** attached to this Report.

The CSR Policy may be accessed on the Company's website at the link: www.tataconsumer.com/investors/policies.

Pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 the Company has undertaken the impact assessment of 7 (seven) CSR projects carried out in FY 2021-22, through Consultivo Business Solutions Private Limited, an independent agency. The impact assessment report for FY 2021-22 is available on the website of the Company https://www.tataconsumer.com/sustainability.

INTEGRATED REPORT

The Integrated Report of the Company is prepared in accordance with the International Integrated Reporting (IR) framework published by the Value Reporting Foundation (VRF) which reflects the integrated thinking of the Company and its approach to its value creation. This report aims to provide a holistic view of the Company's strategy, governance and performance, and how they work together to create value over the short, medium and long term for our stakeholders. The narrative section of the Integrated Report is guided by the Integrated Reporting (IR) framework outlined by the International Integrated Reporting Council (IIRC).

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 read with Schedule V of the Listing Regulations, a separate section on the Corporate Governance Report, forms an integral part of the Integrated Annual Report. A certificate from Practicing Company Secretary confirming compliance with corporate governance norms, as stipulated under the Listing Regulations, is annexed to the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the Listing Regulations, a separate section on Management Discussion and Analysis Report which also covers the consolidated operations reflecting the global nature of our business forms an integral part of the Integrated Annual Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

In accordance with Regulation 34(2)(f) of the Listing Regulations, Business Responsibility and Sustainability Report ("BRSR") covering disclosures on Company's performance on ESG (Environment, Social and Governance) parameters for FY 2022-23, along with Independent assurance opinion statement provided by The British Standards Institution (BSI), forms an integral part of the Integrated Annual Report. BRSR includes details on performance against the nine principles of the National Guidelines on Responsible Business Conduct and a report under each principle, which is divided into essential and leadership indicators is also part of.

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 2022-23.

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, 2023:

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 system to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

STATUTORY AUDITORS AND AUDITORS' REPORT

Based on the recommendation of the Audit Committee and the Board of Directors, Members of the Company at the 59th Annual General Meeting held on June 27, 2022, appointed Deloitte Haskins & Sells LLP, ("Deloitte") Chartered Accountants (ICAI Firm Registration No.117366W/W-100018) as the Statutory Auditors for the second term of 5 (five) years commencing from the conclusion of the 59th Annual General Meeting until the conclusion of the 64th Annual General Meeting to be held in the year 2027. The Members also approved the remuneration payable to Deloitte and authorized the Board to finalize the terms and conditions of re-appointment, including remuneration of the Statutory Auditor for the remaining period, based on the recommendation of the Audit Committee.

The Statutory Auditors' Report for FY 2022-23 on the financial statement of the Company forms part of this Annual Report. Statutory Auditors have expressed their unmodified opinion on the Standalone and Consolidated Financial Statements and their reports do not contain any qualifications, reservations, adverse remarks, or disclaimers.

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

According 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 2022-23 is attached herewith as **Annexure 3**. There are no qualifications, observations or adverse remarks, or disclaimers 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 2022-23.

The Board has re-appointed M/s Shome and Banerjee, Cost Accountants (Firm Registration Number: 000001) as Cost Auditors of the Company for conducting cost audit for the FY 2023-24. A resolution seeking approval of the Shareholders for ratifying the remuneration payable to the Cost Auditors for FY 2023-24 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.

RELATED PARTY TRANSACTIONS

The Company has a well-defined process of identification of related parties and transactions with related parties, its approval and review process. The Policy on Related Party Transactions as formulated by the Audit Committee and the Board is hosted on the Company's website at https://www.tataconsumer.com/investors/policies. As required under Regulation 23 of the Listing Regulations, the Audit Committee has defined the material modification and has been included in the said Policy.

All contracts, arrangements and transactions entered by the Company with related parties during FY 2022-23 (including any material modification thereof), were in the ordinary course of business and on an arm's length basis and were carried out with prior approval of the Audit Committee. All related party transactions that were approved by the Audit Committee were periodically reported to the Audit Committee. Prior approval of the Audit Committee was obtained periodically 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.

None of the contracts, arrangements and transactions with related parties, required approval of the Board/ Shareholders under Section 188(1) of the Act and Regulation 23(4) of the Listing Regulations.

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 does not apply to the Company for the FY 2022-23 and hence the same is not provided. The details of the transactions with related parties during FY 2022-23 are provided in the accompanying financial statements.

ANNUAL RETURN

Pursuant to Section 134(3)(a), the draft Annual Return of the Company prepared as per Section 92(3) of the Act for the financial year ended March 31, 2023, is hosted on the website of the Company and can be accessed at https://www.tataconsumer.com/investors/investor-information/annual-returns. In terms of Rules 11 and 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return shall be filed with the Registrar of Companies, with prescribed timelines.

PARTICULARS OF EMPLOYEES

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

According to Section 197(14) of the Act, the details of remuneration received by the Executive Directors from the Company's subsidiary company during FY 2022-23 are also given in **Annexure 4** attached to this report.

The statement containing details of employees as required under Section 197(12) read with Rules 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

During the year under review, there were no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

PARTICULARS OF LOANS, GUARANTEES, AND INVESTMENTS BY THE COMPANY

The particulars of loans, guarantees, and investments covered under the provisions of Section 186 of the Act have been disclosed in the financial statements.

VIGIL MECHANISM

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 victimization of the Director(s) and employee(s) who avail of 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.

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 https://www.tataconsumer.com/investors/policies.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company have setup ICCs for its 9 major locations to to redress complaints on sexual harassment.

During the year under, one complaint relating to sexual harassment which was pending at the beginning of the financial year, has been investigated and closed. Further, ICC had received one more complaint during the year under review and the same was pending at the end of the Financial Year ended March 31, 2023.

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, 2023.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE

The information on the conservation of energy, technology absorption, and foreign exchange earnings and outgo according 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.

INDUSTRIAL RELATIONS

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

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 co-operation.

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

On behalf of the Board of Directors

N. Chandrasekaran
Chairman
(DIN 00121863)

Mumbai, April 25, 2023

ANNEXURE 1 OF BOARD'S REPORT

DIVIDEND DISTRIBUTION POLICY

1. INTRODUCTION

The Company has in place a Dividend Policy since 2017. After incorporation of Regulation 43A in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as '**SEBI Listing Regulations'**) the existing Dividend Distribution Policy has been revised and framed according to the Listing Regulations and the Companies Act, 2013 read with rules framed thereunder (hereinafter referred to as 'Act').

The Company aims at rewarding its shareholders by sharing a part of its profits after retaining sufficient funds for the growth of the Company. The Company has been able to pursue its aim over years and has been able to maintain fairness, consistency and sustainability while distributing profits to its shareholders.

This policy has been framed with an objective to ensure the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. Towards the end, this Policy lays down various guidelines, factors and parameters to be considered by the Board of Directors of the Company while recommending/ declaring dividend from time to time.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be considered relevant by the Board.

2. Statutory Requirements

The declaration and distribution of dividend shall, at all times, be in accordance with the provisions of the Act, read with applicable rules framed thereunder, as may be in force for the time being and SEBI Listing Regulations, such other applicable provisions of law and the Articles of Association of the Company as amended.

Regulation 43A of the SEBI Listing Regulations requires top 1,000 listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy. The Company is thus required to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website.

3. POLICY ON DIVIDEND DECLARATION

Declaration of dividend only out of profits	Dividend shall be declared or paid only out of: i) Current Year's profit a) After providing for depreciation in accordance with law, b) After transferring to the reserves of the Company such percentage of profits as may be considered appropriate or as may be prescribed, or ii) The Profits for any previous financial year or years a) after providing for depreciation in accordance with law, and b) remaining undistributed, or out of i) & ii) both
Set off Losses and depreciation of previous years	Before declaring any dividend, the carried over previous losses and depreciation not provided in previous year or years must be set off against the profits of the Company for the current year.
Declaration of Dividend out of reserves	The Board of Directors should avoid the practice of Declaration of Dividend out of Reserves.
Frequency	The Dividends will generally be declared once a year after the announcement of full year results but before the Annual General Meeting. In years of exceptional gains or other events a special dividend may be declared. The Board of Directors may also declare interim dividend during the financial year, between two Annual General Meetings as and when they consider it fit.
Parameters that shall be adopted with regard to various classes of shares	Presently, the Company has one class of equity share of the face value of Re 1/- per share and no preference share capital. As and when the Company shall issue other class of equity shares or other kind of shares, the Policy may be suitably amended.

4. PARAMETERS / FACTORS TO BE CONSIDERED BEFORE DECLARING DIVIDEND

1) Financial parameters

- Current year profits
- Operating cash flow
- Outstanding borrowings, including debt to equity ratio.
- Cost of borrowings
- Past dividend trends

2) Internal Factors that shall be considered for declaration of dividend:

- Outlook of the company in line with its business plan
- Future capital expenditure program including
  - New project
  - Expansion of capacities of existing units
  - Renovation/ Modernization
  - Major Repairs & Maintenance
- Working capital requirements
- Likelihood of crystalization of contingent liabilities, if any
- Contingency Fund
- Acquisition of brands / businesses
- Sale of brands/ businesses
- Restrictions in any agreements executed by the Company.

3) External factors

- Prevailing regulatory and legal requirements, including tax regulations
- Industry trends
- State of economy in the country and worldwide

5. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The decision regarding dividend payout is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. Hence, the shareholders of the Company may expect dividend only if the Company is having surplus funds after providing for all the expenses, depreciation, etc., and after complying with the statutory requirements under the Applicable Laws.

The shareholders of the Company may not expect dividend in the following circumstances, subject to the discretion of the Board of Directors:

- the Company has inadequacy of profits or incurs losses for the Financial Year;
- the Company undertakes /proposes to undertake a significant expansion project requiring higher allocation of capital;
- the Company undertakes /proposes to undertake any acquisitions or joint arrangements requiring significant allocation of capital;
- the Company has significantly higher working capital requirement affecting free cash flow;
- the Company proposes to utilize surplus cash for buy- back of securities;
- the Company is prohibited to recommend/ declare dividend by any regulatory body.

The Board may also not recommend a dividend on considering any compelling factors/parameters mentioned in point 4 above.

6. HOW THE RETAINED EARNINGS WILL BE UTILIZED

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Acquisition of brands or businesses;
- Market Expansion Plans
- Product Expansion Plans
- Modernization Plan
- Enhancement of production capacity
- Diversification of business
- Replacement of capital assets
- Long-term strategic plans
- Payment of Dividend or issue of Bonus Shares
- Other such criteria as the Board may be deemed fit from time to time.

7. QUANTUM OF DIVIDEND PAY-OUT

The Board of Directors would determine the Dividend pay-out based on the profitability under the Standalone and Consolidated Financial Statements of the Company for the financial year/period under consideration.

Subject to the circumstances and scenarios mentioned above, the Company shall endeavor to maintain a total dividend pay-out ratio (Dividend/ Net Profit after tax for the year) in the range of 50% to 75% of the Annual Consolidated Profit after Tax (PAT) of the Company.

8. DISCLOSURES

The Policy shall be disclosed in the Annual Report and on the website of the Company i.e. at www.tataconsumer.com

If the Company proposes to declare dividend on the basis of parameters in addition to the parameters/ factors mentioned in this policy or proposes to change such additional parameters or the dividend distribution policy contained in any of the parameters, it shall disclose such changes along with the rationale for the same in its Annual Report and on its website.

9. POLICY REVIEW AND AMENDMENTS

The Policy will be reviewed periodically by the Board. The Policy may be amended, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

10. DISCLAIMER

The Policy does not constitute a commitment regarding the future dividends of the Company, but only represents a general guidance regarding dividend policy. The statement of the Policy does not in any way restrict the right of the Board to use its discretion in the recommendation of the dividend to be distributed in the year and the Board reserves the right to depart from the policy as and when circumstances so warrant.

ANNEXURE 2 OF BOARD'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

1. BRIEF OUTLINE OF THE CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY OF THE COMPANY:

The Company strongly believes in the Tata Group's philosophy of giving back to the community and recognizes the role played by communities in the growth of its business. The Company stands for "For Better Living," which includes actions towards For Better Communities, For Better Nutrition, For Better Sourcing, and For Better Planet.

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

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 Company is committed to being the most admired natural food & beverage company in the world by making a lasting difference through Sustainability and Corporate Social Responsibility. 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 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's CSR activities, projects, and programs comply with Section 135 of the Act and the rules made thereunder, excluding activities undertaken in pursuance of its normal course of business.

During the year under review, the Company's CSR initiatives focused on affordable healthcare, empowerment of differently abled, WaSH (Water, Sanitation, and Hygiene), rural development, and education and skilling. These CSR projects undertaken by the Company contribute to the Sustainable Development Goals (SDGs).

Weblink to access the CSR policy of the Company: https://www.tataconsumer.com/investors/policies

2. COMPOSITION OF CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY COMMITTEE

In compliance with Section 135 of the Act, the Company has established a strong governance structure to supervise the execution of its CSR projects. The CSR governance structure is led by the Corporate Social Responsibility & Sustainability Committee ("CSR&S Committee"), which empowers the working committee of the Company to act on its behalf. The following Directors served as members of the CSR & Sustainability Committee during the year ended March 31, 2023:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of the CSR Committee during the year	
			Held	Attended
1	Mr. Siraj Chaudhry	Chairman of the Committee (Independent Director)	3	3
2	Ms. Shikha Sharma	Member (Independent Director)	3	3
3	Dr. K. P. Krishnan	Member (Independent Director)	3	3

Weblink to access the Composition of the Committee: https://www.tataconsumer.com/about/leadership

3. OVERVIEW OF CSR PROJECTS APPROVED BY THE BOARD IMPLEMENTED DURING FY 2022-23:

Details of CSR projects approved by the Board are appended to the CSR Policy of the Company which can be accessed at the website of the Company at www.tataconsumer.com/investors/policies. A

brief of CSR projects approved by the Board and implemented by the company during FY 2022-23 are as under:

Affordable Health care

- RHRC (Referral Hospital & Research Centre), Chubwa: RHRC Chubwa provides affordable medical facilities to the general population and the tea communities. The eHub, located at RHRC for the e-Healthcare Project provides video consultation to estate hospitals. The hospital has 155 medical staff and 76 beds including 6 ICU beds. It is the only medical facility in the area to be awarded the SA8000 accreditation.
- St. Judes India Childcare Centre: Many cancer patients in India live far from the treatment centers where they receive care, making it difficult for them to stay close to their care providers during treatment. It can result in denial of access to treatment and irregularity in continuing it according to a specified regime. St. Judes India Childcare Centre created "Premashraya", a residential facility for destitute cancer patients and their families, as a "home away from home" while receiving treatment at the Tata Medical Center in Kolkata.

Empowerment of Differently-abled

- Srishti Charitable Trust, Munnar: Srishti has been established with the purpose of rehabilitation and the generation of sustainable livelihoods for the differently-abled children and young adults of the rural plantation community of Munnar, Kerala. Srishti's DARE school provides holistic education to children with disabilities. Once the children attain the age of eighteen, some of them get absorbed into the mainstream while most of them, based on their interest and aptitude, get rehabilitated into one of the five vocational units in Srishti, - Nisarga, The Deli, Aranya Natural, Athulya and Vatika.
- Swastha Center for Special Education & Rehabilitation: The Swastha Centre for Special Education & Rehabilitation, a unit of Coorg Foundation, is working in the field of special education for the differently-abled, vocational rehabilitation & placement and Community-Based Rehabilitation (CBR) Programs in Kodagu, Karnataka. The mission of Swastha is to educate, train and rehabilitate children with mental and physical disabilities.

WaSH (Water, Sanitation and Hygiene)

- Project Jalodari, Assam : Project Jalodari is the flagship water management program of the Company. The key objectives of the project are to create sustainable water sources, raise awareness, and build capacities around water and sanitation issues in the community. The project also promotes health for women and adolescent girls through safe and effective Menstrual Hygiene Management (MHM) focusing on awareness, access, usage, and disposal.
- Project Jalodari, Himachal Pradesh: The project aims at improving water sustainability and sanitation in 30 villages of Paonta Sahib and Nahan blocks of Sirmaor blocks. The Company undertook several initiatives, including vegetative and engineering measures, community mobilization, training, and circular sanitation, to achieve its goals.

Rural Development by TCSRD at Mithapur

- This is an integrated development program that focusses on creating sustainable livelihoods through better agricultural outcomes, health and nutrition, water management and biodiversity conservation. It includes initiatives such as improving livestock management, providing high-quality plant saplings to farmers, training farmers on crop management, constructing farm ponds for water conservation, and awareness of biodiversity. The program also covers community health, education, and skill development for youth. The program seeks to work through community involvement by forming self-help groups, user groups, farmer groups, youth clubs etc.

Education & Skilling

- Skilling of underprivileged youth by Tata Strive (Tata Community Initiatives Trust) : The objective of the project is to equip underprivileged youth with relevant skills to create opportunities for jobs or self-employment. The project was implemented in Assam, Mumbai, and Hyderabad, covering 130 youth with skill-based training in hospitality and Quick Service Restaurant.
- Scholarships to underprivileged youth (FAEA) : Foundation for Academic Excellence and Access (FAEA) was established in 2002 to answer the challenge of empowering the socially and economically disadvantaged through access to higher education. FAEA programs are primarily focused on SC/ST and BPL category students.

4. EXECUTIVE SUMMARY ALONG WITH WEBLINK 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.

During the year under review, the Company carried out an impact assessment of 7 CSR projects for FY 2021-22.

The CSR projects of the Company in FY 2021-22 were focused on the Tea Communities of Assam and Munnar (Kerala), Coffee Communities of Kodagu (Karnataka), local communities in Mithapur (Gujarat), cancer-affected children in and around West Bengal and the Covid warriors of Assam. The CSR activities undertaken are directly linked to the 17 Sustainability Development Goals (SDGs). The 5 thematic areas are - Affordable health care, Empowerment of differently abled, Water, Sanitation and Hygiene, Rural Development and Education and Skilling. The company also provided support to covid warriors.

The assessment was carried out by an independent agency, Consultivo Business Solutions Private Limited. 800 beneficiaries were interviewed as part of the assessment. A total of 1,52,500 beneficiaries were impacted by these projects in FY 2021-22. Summary the assessment report is as under:

Affordable health care RHRC, Chubwa:

Hospital extended its services to 80935 patients in FY 2021-22 (Including e-healthcare services). Over 68% of patients were earning less than ₹ 6000 a month and 75% of the beneficiaries belonged to the larger community outside the tea estates. 100% of the beneficiaries considered RHRC to be the most affordable hospital in the region.

Affordable health care, St. Jude's Childcare:

St. Jude's Child Care provided affordable healthcare services to 182 children undergoing cancer treatment, out of which 128 were returnees. Parents of beneficiaries had an income between ₹ 2000 and ₹ 5000. The accommodation service provided was considered excellent by 100% of the parents interviewed.

Empowerment of differently abled, Srishti:

Parents reported that there was greater acceptability of children with disabilities in the community due to Srishti's social activities. Special-abled employees have been able to double their family's income due to the vocational training provided by Srishti.

Wash *(Water, Sanitation and Hygiene)*, Project Jalodari Assam

Water: 4 IRPs (Iron removal plants) were installed in the Jorhat and Golaghat areas of Assam which provided safe drinking water to more than 450 households. 526 point-of-use water filters were distributed. 91% of participants reported an improvement in water quality and 93% reported an improvement in water availability. In addition, 82% of participants reported an improvement in health due to better water quality.

MHM (Menstrual Hygiene Management): 2,515 beneficiaries were covered under the MHM awareness program. Four modules of MHM training were given to the beneficiaries and 100% of participants received a menstrual toolkit. 79% reported better hygiene practices during menstruation because of this program.

Rural Development, TCSRD, Mithapur:

Under Agriculture and Livestock management, various training and capacity-building programs were run covering 650+ farmers. More than 28,000+ animal health camps were organized where more than 51,000+ animals were examined/treated. The interventions have resulted in the increase of farmers' income by 2.5 times. Through the water conservation initiative, 61% of participants reported adequate water availability for agricultural needs. Infrastructure projects implemented through the program have addressed the needs of 87% of participants. Additionally, the Badte Kadam initiative is expected to earn participants a monthly income of ₹ 10,000-20,000, thereby adding to their family's income.

Supporting vulnerable communities Covid19

A total of 1,500 COVID warriors were provided accommodation (8,117 nights) and meals in Assam at Taj Vivanta. The beneficiaries were working towards the treatment of COVID patients.

The detailed impact assessment report for FY 2021-22 is available on the website of the Company at https://www.tataconsumer.com/sustainability

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 THE 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 setoff for the financial year, if any	Amount available for set-off in succeeding financial years
1	FY 2020-21	₹ 0.30 Crores	₹ 0.30 Crores	0
2	FY 2021-22	₹ 0.22 Crores	₹ 0.05 Crores	₹ 0.17 Crores
	TOTAL	**₹ 0.52 Crores**	**₹ 0.35 Crores**	**₹ 0.17 Crores**

6. CSR OBLIGATION FOR THE FINANCIAL YEAR

a) Average net profit of the Company as per section 135(5): **₹ 829.53 Crores**

b) Two percent of the average net profit of the Company as per section 135(5): **₹ 16.59 Crores**

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

d) Amount required to be set off for the financial year, if any: **₹ 0.35 Crores**

e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **₹ 16.24 Crores**

7. AMOUNT SPENT FOR THE FINANCIAL YEAR

a. Amount spent on CSR Projects:

- Ongoing Projects: Nil

- Other than Ongoing Projects: **₹15.72 Crores** (as per **Appendix)**

b. Amount spent on Administrative Overheads: **₹ 0.45 Crores**

c. Amount spent on Impact Assessment: **₹ 0.07 Crores**

d. Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹ 16.24 Crores**

e. CSR amount spent or unspent for the financial year: 2022-23:

Total Amount Spent for the Financial Year.	Amount Unspent				
	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
₹ 16.24 Crores	Nil	NA	NA	Nil	NA

f. Excess amount for set off, if any: **Not Applicable**

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

8. DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135	Amount spent in the Financial Year	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.	Deficiency, if any
					Amount	Date of transfer		
1	2021-22	Nil		Nil	Nil	NA	Nil	
2	2020-21	Nil		Nil	Nil	NA	Nil	
3	2019-20	Nil		Nil	Nil	NA	Nil	
TOTAL		**Nil**		**Nil**	**Nil**	**NA**	**Nil**	

9. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: NO

If Yes, enter the number of Capital assets created/ acquired: **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the Property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	**Name**	**Registered address**
NA	NA	NA	NA	NA	NA	NA	NA

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

10. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PERCENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5). NOT APPLICABLE

Siraj Chaudhry
Chairman of the Committee and Independent Director
(DIN 00161853)

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

Mumbai, April 25, 2023

Details of CSR amount spent against other than ongoing projects for the financial year 2022-23:

(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 ₹).	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name.	CSR registration number
1	RHRC Hospital*	(i)	Yes	Assam	Chubwa, Dibrugarh	6,10,00,000	No	APPL Foundation	CSR00006630
2	St. Judes - Supporting Cancer affected children	(i)	Yes	West Bengal	Kolkata	30,00,000	No	St. Jude's Child Care	CSR00001026
3	RIHP hospital *	(i)	Yes	Karnataka	Kodagu	87,00,000	No	Coorg Foundation	CSR00005504
4	Srishti - Promoting education & vocational skills for differently-abled	(ii)	Yes	Kerala	Munnar, Idukki District	3,70,00,000	No	TGBL Foundation	CSR00007356
5	Swastha - Education of differently abled children	(i)(ii)	Yes	Karnataka	Kodagu	40,00,000	No	Coorg Foundation	CSR00005504
6	Project Jalodari Assam - Water and Sanitation	(iv)	Yes	Assam	Jorhat & Golaghat	16,00,000	No	Centre for Microfinance and Livelihood	CSR00004635
7	Project Jalodari Himachal - Water and Sanitation	(iv)	Yes	Himachal	Sirmaur	28,00,000	No	Himmothan society	CSR00000081
8	TCSRD - Agriculture & livestock management, Biodiversity conservation	(i)(ii)(iii)(iv)	Yes	Gujarat	Mithapur	3,50,00,000	No	Tata Chemical Society	CSR00002564
9	FAEA - Scholarships to underprivileged youth	(ii)	Yes	Pan-India	Pan-India	16,00,000	No	Foundation for Academic Excellence & Access (FAEA)	CSR00002144
10	Tata Strive - Skill training for underprivileged youth	(ii)	Yes	Maharashtra, Telangana & Assam	Mumbai, Hyderabad & Assam	25,00,000	No	Tata Community Initiatives Trust	CSR00000997
TOTAL						**15,72,00,000**			

* Includes contribution towards the infrastructure of the facility.

ANNEXURE 3 OF BOARD'S REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Regulation 24A of SEBI (LODR) 2015]

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 (CIN:L15491WB1962PLC031425)**, (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 2023 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 2023 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 "the Act") and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder including amendment thereof;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder including amendment thereof;

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 including amendment thereof;

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

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

d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable during the period under review**

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

f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity), Regulations, 2021 ;

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 and including amendment thereof; **Not applicable during the period under review** and

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

j. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 including amendment thereof

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

vi. The Food Safety and Standards Act, 2006 along with Food Safety and Standards Rules 2011 and including amendment thereof;

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. Plantations Labour Act, 1951;

xii. The Factories Act, 1948 and Rules made thereunder;

xiii. Shops and Establishment Act, 1953;

xiv. Contract Labour (Regulation and Abolition) Act, 1970;

xv. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Rules made thereunder;

xvi. The Maternity Benefits Act, 1961;

xvii. The Minimum Wages Act, 1948;

xviii. The Payment of Bonus Act, 1965;

xix. The Payment of Gratuity Act, 1972;

xx. Industrial Employment (Standing Orders) Act, 1946;

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

xxii. The Payment of wages Act, 1936 and Amendments thererof and Other applicable Industrial and Labour Laws.

I have also examined compliance of Secretarial Standards on Board of Directors (SS-1), General Meetings (SS-2) made effective 1st July 2015 and Dividend (SS-3) made effective 1st January, 2018, Secretarial Standards on Report of the Board of Directors made effective 1st October 2018 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 conference facilities/ other audio-visual means are used as and when required to facilitate the Directors at other locations to participate in the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. 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 strategic corporate actions during the period under review are highlighted below and the supporting documents & / Laws were duly verified by me:

COMPOSITE SCHEME OF ARRANGEMENT

During the year under review, the Composite Scheme of Arrangement amongst the Company, Tata Coffee Limited ("TCL"), and TCPL Beverages & Foods Limited ("TBFL") for demerger of the Plantation Business of TCL into TBFL and the Amalgamation of the remaining business of TCL with TCPL ("the Scheme") had received the no-objection from the Securities and Exchange Board of India and the Stock Exchanges where the shares of the Company are listed, namely BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited. Pursuant to the directive of the Hon'ble National Company Law Tribunal, Kolkata Benc h, ("NCLT"), the Company had conducted the meeting of the equity shareholders on November 12, 2022 though Video Conference/ Other Audio Visual Means. The meeting was duly conveyed and conducted in compliance with the law and the directives of the NCLT, and the Scheme was approved by the shareholders by special resolution as well as by the majority of the non-promoter shareholders, who have voted on the resolution. The Company has filed the petition for sanctioning the Scheme with the NCLT, Kolkata Bench.

ALLOTMENT OF EQUITY SHARES ON A PREFERENTIAL BASIS FOR CONSIDERATION OTHER THAN CASH

During the year under review, upon receipt of relevant approval from Reserve Bank of India on October 7, 2022, in terms of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 and confirmation from The Standard Chartered Bank, Authorised Dealer on October 17, 2022, basis the communication issued to them by Reserve Bank of India on October 14, 2022 under Foreign Exchange Management (Overseas Investment) Rules, 2022, the Preferential Issue Committee of the Board of the Company, has allotted 74,59,935 equity shares of the Company having a face value of ₹ 1 each, at a price of ₹ 765.16 per equity share on a preferential basis to Tata Enterprises (Overseas) AG, Zug, Switzerland ("TEO") for a total consideration of ₹ 570.80 Crores, discharged by TEO by transfer of 2,38,71,793 ordinary shares of £1 each held by TEO, representing 10.15% paid-up share capital of Tata Consumer Products UK Group Limited, United Kingdom, an existing overseas subsidiary of the Company ("TCP UK") in favour of the Company.

Pursuant to this transaction, TCP UK has become a wholly-owned subsidiary of the Company, effective October 21, 2022.

GRANT OF PERFORMANCE SHARE UNITS

During the year under review, the Company has granted 1,13,545 Performance Share Units ("PSUs") to eligible employees, under Tata Consumer Products Limited - Share-based Long-Term Incentive Scheme 2021.

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

UDIN: F002303E000182881
Date: 25/04/2023
Place: Kolkata

ANNEXURE "A"

(TO THE SECRETARIAL AUDIT REPORT OF TATA CONSUMER PRODUCTS LIMITED (CIN: L15491WB1962PLC031425) FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023)

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

My Report for the financial year ended 31st March 2023 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.

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

Date: 25/04/2023
Place: Kolkata

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, 2023 is 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*
N. Chandrasekaran, Chairman@	-
P. B. Balaji#	-
Siraj Chaudhry	16.14
Bharat Puri	16.94
Shikha Sharma	17.12
K. P. Krishnan	15.94
David Crean^	10.48

Executive Directors	Ratio to the median remuneration
Sunil D'Souza	190.05
L. Krishnakumar	89.57

Notes:

*Median remuneration computation is based on a total employee headcount of 3040, of which approximately 1556 employees are within the 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 shall be made towards commission to the Non-Executive Directors of the Company, who are in employment with any other Tata companies. Accordingly, no commission was paid to Mr. P. B. Balaji , Non-Executive (Non-Independent) Director.

^ Mr. David Crean was appointed as a Director w.e.f. May 4, 2022.

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

Directors, Chief Executive Officer, Chief Financial Officer, and Company Secretary	% increase in remuneration in the financial year
N. Chandrasekaran, Chairman@	-
P. B. Balaji#	-
Siraj Chaudhry	4.13%
Bharat Puri	2.67%
Shikha Sharma	3.26%
K. P. Krishnan ^	-
David Crean^^	-
Sunil D'Souza^^^##	24.57%
L. Krishnakumar*##	9.40%
John Jacob, Chief Financial Officer**	-
Sivakumar Sivasankaran, Chief Financial Officer**	-
Neelabja Chakrabarty, Company Secretary^^^##	22.22%

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 shall be made towards commission to the Non-Executive Directors of the Company, who are in employment with any other Tata companies. Accordingly, no commission was paid to Mr. P. B. Balaji, Non-Executive (Non-Independent) Director.

^Dr. K. P. Krishnan was appointed as a Director w.e.f. October 22, 2021, percentage increase in remuneration is not applicable as payment made for part of the year in previous year and hence, not stated.

^^ Mr. David Crean was appointed as a Director w.e.f. May 4, 2022, percentage increase in remuneration is not applicable as payment made for part of the year and hence, not stated.

^^^ With effect from FY 2021-22, long term incentive relating to the year is compensated through performance share units (PSUs) and accounted as remuneration over the vesting period of 3 years based on performance measures achieved.

##For computations of increase, incentive remuneration has been considered based on accruals, and payments relating to earlier years have been excluded.

*For 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 the UK has also been considered for computation of increase.

** Mr. John Jacob has retired as Chief Financial Officer of the Company w.e.f. May 31, 2022, and Mr. Sivakumar Sivasankaran has been appointed as Chief Financial Officer of the Company w.e.f. June 1, 2022, percentage increase in remuneration for both is not applicable as remuneration was paid for part of the year and hence, not stated.

c) The percentage increase in the median remuneration of employees in the financial year was 10.38% .

d) The number of permanent employees on the rolls of the Company as on March 31, 2023, was 3040 employees.

e) Average percentiles 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:

The average percentage increase for other than managerial personnel (excluding unionized staff) works to around 9.28% and the percentage increase for all employees was 10.50%. The increase in the managerial remuneration was 18.97% on a like-to-like basis (including compensation paid from a subsidiary company in the UK, also refer note above). 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) Disclosure under Section 197(14) of the Companies Act, 2013:

Mr. L. Krishnakumar, Executive Director & Group CFO, received remuneration of Rs. 40.20 Lacs from the Company's overseas subsidiary, Tata Consumer Products GB Limited during FY 2022-23. (The remuneration drawn in GBP has been converted into INR at the average exchange rate).

h) The statement containing details of employees as required under Section 197(12) read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Rules'), as amended, 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.

On behalf of the Board of Directors

N. Chandrasekaran
Chairman
(DIN 00121863)

Mumbai, April 25, 2023

ANNEXURE 5 OF THE BOARD'S REPORT

INFORMATION ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE

A. ENERGY CONSERVATION

i. Steps taken for the conservation of energy at various factories and operations during the FY 2022-23 and their impacts:

- **Hyderabad Factory:** Replaced 10 nos, 150-watt streetlights with 100-watt streetlights, resulting in an annual energy saving of 1980 units. Additionally, Switched ON & OFF streetlights through Auto Operation by using photo emitting sensor, resulting in energy savings of 1440 units.
- **Sampla Factory:** Replaced 10 nos Vacuum Conveying System (VCS) with Bucket Elevator in a phased manner (July onwards), resulting in energy savings of 44,323 units.
- **Indore Factory:** Installed 2 VFD on IN 60 and IN 58 (Sept onwards), resulting in energy saving of 1089 units.
- **Kellyden Factory:** Replaced 2 nos Vacuum Conveying System (VCS) with Bucket Elevator (Feb onwards), resulting in energy savings of 7744 units.
- **Nonoi Factory:** Replaced 2 nos Vacuum Conveying System (VCS) with Bucket Elevator (Feb onwards), resulting in energy savings of 7744 units.
- **DamDim Factory:** Interlocked conveyors with the machine to stop idle running, resulting in energy savings of 1479 units.
- **Himalayan Factory:** Replaced 170 TR cooling tower with 100 TR cooling tower (Jan onwards), resulting in savings of 5625 units.
- **Instant Tea Operations-Munnar:** Reduced Furnace oil usage by 1796 litres per day, resulting in savings of ₹ 1.63 Crores and replaced all leaking valves, solenoids and old pipelines, etc. for compressed air transfer (Feb onwards), resulting in savings of 23,595 units.
- **Smart Foods-Sricity:** Installed VFD for blower in ETP, resulting in energy savings of 25,400 units, installed AC controllers for Split ACs, resulting in savings of 46,000 units and splitting air curtains for double doors, resulting in savings of 2,620 units.
- **Pullivasal and Periakanal factories:** Installed 10 Tufflite sheets (translucent fibreglass sheets) and replaced 215 low-efficient tube lights with energy-efficient LED lights. Reduced firewood consumption from 4.03m3/1000Kg of made tea in 2021-2022 to 3.63m3/1000Kg of made tea in 2022-2023, resulting in a saving of 389 metric tons of firewood per year at the Pullivasal factory.

ii. Measures taken by the Company to utilize alternative energy sources:

The company executed several renewable energy projects (Solar plants) during the year, including Agra CFA, Siliguri CFA, Pune CFA, Kanpur CFA, and Ranchi CFA, with a total capacity of 246 KWp. Two ongoing projects are Smart Foods (TSFL) and Instant Tea Operations, Munnar, with a total capacity of 1982 KWp. Another project, Tetley Cochin, with a capacity of 200 KWp, is also ongoing.

iii. Capital investment in Energy Conservation Equipment.

A total of ₹ 114.9 Lacs has been invested in energy conservation projects across Sampla, Kellyden, Nonoi, and Pullivasal factories. The following is a summary of the capital investments made in various energy conservation projects at different factories:

- Procurement of bucket elevators at Sampla and Kellyden: 72.3 Lacs
- Replacement of existing vacuum conveying system with Z-Bucket Conveyor at Nonoi and Pullivasal: 24.3 Lacs
- Installation of compressors at Kellyden: 15.0 Lacs
- Installation of new variable frequency drive for drier ID fan and emulsifier at Kellyden: 2.5 Lacs
- Installation of solar lights for shopfloor and periphery at Nonoi: 0.8 Lacs

The total capital investment in these projects is 114.9 Lacs.

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, development solutions and process improvement support. The Company has entered into a Memorandum of Understanding with many external Companies and Institutes under Confidentiality agreements to work further on various collaborative projects and assignments. The focus of the Company on science and technology-based projects has been augmented to create disruptive and niche products that cater to consumer needs.

The R&D Team is also exploring Open Innovation and Technology absorption agenda through potential collaboration opportunities with academic institutions, the Start-up ecosystem and the Tata Group Innovation team. We also had a successful showcase during our Innovation Day in Dec 2022 in which few ideas got absorbed to enter the innovation funnel.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

New Product Development and new categories:

During the year, the Company launched several new products and entered newer categories, these include:

- Packaged Foods: Tata Salt Immuno, Tata Salt Iodized Pink Salt, Tata Salt Vitamin Shakti, Tata Salt Iron Health, Tata Sampann Hing, Tata Sampann Shahi Besan, Tata Sampann Spices (Chilli, Turmeric & Coriander) along with blended spices (Puliogare, Chicken Masala, Malabar Chicken Masala, Garam Masala, Sambhar Masala and Rice Masala) for South regions, Tata Sampann All-purpose masalas (Mummy's magic, Peri Peri & Tandoori Masala), Tata Sampann Makhana, Tata Sampann Mixed Nuts, Tata Sampann Black Raisins, Tata Sampann Indori Poha, Tata Simply Better product range for Alternate meat products, Tata GO-FIT plant-based protein powder for women, Tata Q relaunched as Yum Side ready-to-eat & ready-to-cook range, Ready-to-eat Ethnic range, ready-to-cook Gravies & Pastes, ready-to-eat and ready-to-cook range under brand name Raasa.
- Packaged Beverages: Tata Coffee Gold 100g SKU, Tata Coffee - Cold Coffee, Sonnets New Season, Tata Tea Gold Saffron, Tata Coffee - Café Special, Tata Tea Premium Mumbai Cutting Chai, Hyderabadi Irani Chai, Purani Dilli ki Mithai Chai and Kolkata Street Chai.
- Ready-To-Drink Beverages: Tata Gluco+ ORS, Himalayan Honey, Himalayan Preserves, Fruski juice & jelly, TGP Cola flavour
- Tata Soulfull: Tata Soulfull Oats+, Tata Soulfull Muesli 25% Extra Muesli, Tata Soulfull Wholesome Delight, Tata Soulfull Nutri Drink+, Tata Soulfull Ragi Bites - Improved Cream.

These achievements were made possible through successful initiatives in technology, product, and pack development, in collaboration with different business partners. These initiatives have resulted in the Company achieving an Innovation to Sales ratio of 3.2% for the first time ever.

In addition to delivering on the B2C business mandate, the R&D team is working on expanding the portfolio and strengthening the pipeline for the D2C and B2B business verticals in the F&B categories.

Packaging related initiatives

The Company has undertaken packaging-related initiatives to promote sustainability and innovation.

- Sustainability: Along with material savings, the packaging elimination and reduction initiatives have been key highlights on the sustainability agenda. The Company has successfully delivered the down-gauging of recyclable laminate for Tata Salt, leading to approx. 900 MT reduction of packaging material consumption by weight, on an annual basis. Recycled content has been introduced in secondary packaging in both Tea and RTD businesses. Our initiatives to incorporate rPET into PET bottles of water have progressed well and will be furthered in FY24. At the outset, the Company's commitments to India Plastic Pact are being honoured.

- Packaging Innovation: Various new post-print finishes were developed for our NPD pipeline projects (e.g. Tata Tea Street Chai range, Tata Tea Saffron, Tata Cold Coffee range and Tata Café Specials range, Himalayan Honey & Preserves, Soulfull Nutri drink range etc.) by engaging with key vendors such as ITC, Uflex, Paharpur.

  The company has been recognized for "Packaging Excellence" at both, National and International forums with a total of 12 industry-recognized awards, in FY23. Our work in Packaging has been lauded by premier institutes such as The Indian Institute of Packaging with 5 INDIASTAR awards, The SIES School of Packaging with 6 STAR awards and The World Packaging Organization with 1 WORLDSTAR award. The winning entries were: 1868 by Tata Tea, Tata Coffee Gold, Sonnets by Tata Coffee, Himalayan Preserves & Honey, Tata Soulfull Ragi Bites Display case, Tata Soulfull Oats Hanger and Primary pack suitable for MATS process.

  To augment our capabilities in existing platforms and categories, we have been liaising heavily with consultants, academia, functional area experts and specialized consultant groups. We will continue to strengthen our association with expert communities to ensure robust product delivery with agility, given our organization's vision and ambitious plans. The Company has collaborated with various external partners to support the development work. During the year, we have deployed a strategic, planned approach to engage external partners via three pillars:

  (1) Knowledge Harvest: Connecting with ingredient, flavour, market insights partners for extending the innovation pipeline as well as to bring in new platforms and ideas into the innovation funnel. Digital partners like Ai Palette, Tastewise and Mintel have been onboarded during this year.

  Collaboration with major ingredient manufacturers and suppliers like Givaudan, IFF, Firmenich-VKL, Symrise, MANE, Kerry, Novozymes, Synthite, Plant Lipids, Doehler, Mother Dairy, Global Calcium, Arihant Pure Chem, Royal DSM, Hexagon Nutrition, Ganshmuel, Orana continued during the year for the development of newer formulations and products with scientific credentials and identifying new opportunities and ideas to feed into the Innovation funnel.

  (2) Connected Innovation: We have engaged with strategic technical partners and start-ups to enable the co-development and testing of product concepts in the market, to establish technical feasibility and business viability. In this context, a global ecosystem of disruptive drivers across US, UK and Israel has been explored for technology absorption.

  (3) Community of Experts: We have explored technology absorption opportunities with a few renowned academic institutions like IIT Delhi, IIT Mumbai, NIFTEM, CFTRI and the base is well established to deliver results for the company's long-term innovation plans. We will carry forward our efforts for the same in FY24.

  To strengthen TCPL play in grains and millets, the collaboration with SMEs and the Indian Institute of Millets Research (IIMR) has been further boosted.

  In our endeavour to leverage the science and technology set-up available in our ecosystem, several initiatives have been taken up with a specific focus on claims substantiation, safety studies and the development of new analytical methods. Projects were taken up with CSIR (Council of Scientific & Industrial Research) laboratories - which include CFTRI (Central Food Technological Research Institute) Mysore, CSIO (Central Scientific Instruments Organization) Chandigarh, IITR (Indian Institute of Toxicology Research), Lucknow & CSMCRI (Central Salt & Marine Chemicals Research Institute) Bhavnagar. We have also collaborated with India International Kashmir Saffron Trading Centre (IIKSTC), Directorate of Agricultural Production & Farmers Welfare, Government of J&K with regards to Saffron research & testing.

  Service agreements were entered/continued with NABL accredited Analytical labs – Eurofins Analytical Lab Bangalore, TUV

SUD Lab Bangalore, TUV NORD Lab Pune, SGS Lab, Gurugram, ALS Testing Services Bengaluru, Vimta Labs Hyderabad, Intertek Lab Gurugram, Fare Lab, Gurugram and Neogen-Cochin, for analytical support on product stability, nutrition and food safety.

The product lifecycle management and food safety risk are managed through a Specification Management System developed and optimized by Hamilton-Grant, UK.

iii. In the 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. R&D and Strategic functions are in constant exploration for newer technologies that can contribute to Horizon 3 innovation opportunities.

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 2022-23:

Capital Expenditure	₹ 5.36 Crore
Revenue Expenditure	₹ 23.04 Crore
Total R&D expenditure as a % of Net Sales is	0.34%

C. FOREIGN EXCHANGE

Foreign Exchange earnings and outgo in FY 2022-23:

Foreign Exchange earned	₹ 367.02 Crores
Outgo of Foreign Exchange	₹ 150.36 Crores

On behalf of the Board of Directors

N. Chandrasekaran
Chairman
(DIN 00121863)

Mumbai, April 25, 2023

MANAGEMENT DISCUSSION AND ANALYSIS

1. ECONOMIC REVIEW

1.1 GLOBAL

Global economic growth slowed down to 3.4% in 2022 as per International Monetary Fund (*World Economic Outlook Apr 2023*) compared to 6.2% in 2021. The year saw geopolitical uncertainty with the prolonged Russia-Ukraine conflict and economic challenges leading to disruptions in the global supply chain and elevated inflation with increase in commodity and energy prices. This prompted central banks to aggressively tighten their monetary policy, which further impacted economic activity.

Outlook

Analysts estimate that 2023 will continue to see the above issues playing out leading to a further slowdown in economic growth and a mild recession in the UK as well as potentially in the Euro area. The UK has been impacted by an increase in cost-of-living, dampening household's purchasing power and consumption, as well as tighter fiscal and monetary policy. Current estimates project global recovery in the second half of 2023, with moderation of inflation and re-opening of the Chinese economy. We have already started seeing cooling-off of fuel and commodity prices as well as global container freight rates.

However, risks remain to this outlook with the stress seen in banking systems in the US and Europe in the last few months, potentially getting aggravated with extended high inflation levels and triggering further rounds of rate hikes and adversely impacting the business environment. There is also continued uncertainty on a resolution of the Russia-Ukraine conflict further impacting energy markets and disrupting the supply demand balance.

1.2 INDIA

Despite global volatility, the Indian economy grew by 6.8% in 2022 – making it the fifth largest economy globally in terms of nominal GDP (US dollars). This growth has been supported by: (1) reduction in Covid-19 cases leading to opening up of the economy; (2) expansion of manufacturing footprint by both global and Indian firms, aided by Government policies (eg Production Linked Incentive (PLI) Scheme, PM Gati Shakti, corporate tax cuts); (3) capex recovery; and (4) cyclical upturn in many sectors (eg Banking, Auto). India's digital infrastructure has strengthened in the last few years and the widespread adoption of real-time digital payments is estimated to have unlocked 0.56% of GDP[1].

However, inflation headwinds were also felt by the Indian economy with increase in crude oil prices and we saw interest rate hikes done were by the Reserve Bank of India to control inflation. The Indian rupee weakness against the US dollar also added to the inflationary pressures.

Outlook

According to the International Monetary Fund, Indian economy is projected to deliver robust growth of 5.9% for 2023, highest amongst the emerging economies, driven by strong domestic demand and healthy consumption growth supported by an improvement in labour market conditions, increasing consumer confidence, an expected recovery in rural demand and higher purchasing power with moderating of inflation. In the Union Budget for FY2023-24, the government announced a 33% increase in capex allocation to INR 10 trillion, which is expected to boost private investments. The Budget has also targeted a lower fiscal deficit in FY2023-24 at 5.9% and the government has committed to bring it down to below 4.5% by FY2025-26.

Risks to the outlook remain with weakness in the global economy impacting exports, volatility in food and crude oil prices, slowdown in private consumption and aggressive monetary tightening by global central banks to moderate inflation.

2. STRATEGIC PRIORITIES

2.1 OVERALL STRATEGY

Tata Consumer Products Limited is one of the top FMCG companies in India with a portfolio of offerings across Foods and Beverages. The Company owns iconic brands with strong heritage like Tata Tea, Tata Salt, Tetley, Eight O' Clock Coffee as well as new-age brands like Tata Sampann, Teapigs, Good Earth, Tata Copper Plus, Himalayan, Tata Gluco Plus and Tata Soulfull to name a few. We

[1] Report by ACI Worldwide, in partnership with Global Data and the Centre for Economics and Business Research

are the second largest branded tea player globally, has the largest salt brand in India and is expanding its portfolio into other product categories such as pantry staples, snacks, ready-to-eat, ready-to-cook and coffee. We are committed to delivering products that are '*Better for You*' with high quality ingredients that are innovative, delightful and convenient. The Company was ranked the 5th Most Chosen FMCG Brand in India in the Kantar India Brand Footprint Report 2022. We also secured the 4th place in India's most valuable brand (F&B category) in the Brand India Finance 2022 Report and were recognised for Growth Performance (F&B category) at the Dun & Bradstreet Corporate Awards 2022.

During the fiscal, the business continued to strengthen its presence in the Food and Beverages sector with a wide portfolio of products aspiring for a larger share of the consumer basket. Despite category softness in an inflationary environment, we continued with the journey of:

- improving our total reach in India (3.87 million retail outlets) and scaling Growth businesses (RTD Beverages, Tata Sampann and Tata Soulfull). We crossed the milestone of INR 600 crores in sales for the RTD business
- successfully negotiating price increases in International markets to mitigate the increase in commodity prices and other cost escalations
- continuing to support brand investments
- jump-shifting innovation for India from 2.7% in FY2021-22 to 3.4% of sales in FY2022-23
- powering the Digital agenda with investment in Core platform, Sales and Operations to enable higher efficiencies
- streamlining operations to drive synergies (eg network optimization for the foods 3P network, consolidating Teapigs into mainstream business)
- consolidating shareholding in two of our international joint ventures, in line with our strategic objectives – Joekels Tea Packers (Proprietary) Ltd (South Africa) and Tetley ACI Bangladesh
- growing our JV – Tata Starbucks; revenue crossed the INR 1,000 crores mark in FY2022-23

We remain aligned to our six stated strategic pillars:

- **Strengthen and accelerate core business**

  We continued to power our brands while driving premiumization, distribution expansion and developing alternate channels for growth.

- **Drive digital and innovation**

  We continue to embed digital in every part of our business to stay in tune with the technological advancements, improve functional capabilities and drive efficiencies across the value chain. Our e-commerce channel continued its strong growth trajectory. We aim to increase investment in digital marketing, especially in the International markets, to effectively reach a younger consumer base.

  Innovation is a strong strategic pillar as we are focused on understanding and pre-empting evolving consumer trends and developing high quality and differentiated products to delight these increasingly discerning consumers. We are leveraging technology to drive cost reduction/ optimization (for example packaging). During the year, we invested in the infrastructure (three centres of excellence in R&D) as well as team capabilities and significantly increased the contribution of innovation to overall TCPL revenues.

- **Unlock Synergies**

  We continue to focus on improving efficiencies and this year completed the integration of Teapigs with the our operations – UK, US and Europe. We launched the Pivot platform to transfer back-end finance operations for US, UK and Canada to India to to have an efficient structure and optimisation of costs.

  We are in the process of receiving the approvals from the Hon'ble National Company Law Tribunals (Bengaluru and Kolkata) for the Composite Scheme of Arrangement amongst us, Tata Coffee Limited, TCPL Beverages & Foods Limited. In the next few years, we will be looking at further simplification of operations to consolidate or reduce the number of legal entities by half.

- **Explore new opportunities**

  We aspire to be a leading player in the FMCG industry, by expanding our play in existing categories and venturing into new spaces. We have taken both organic and inorganic routes to capitalize on industry trends and tap into new consumers or markets. This includes launches into new categories and realigning capital investments to markets or businesses that have higher growth potential and the ability to generate sustainable returns.

- **Create a future ready organisation**

  We are committed to building a culture that empowers our people to realise our shared vision. We ensure that our people have the opportunity to drive greater impact through meaningful and productive careers – in FY23, around 31% of all our open position globally were filled internally. On April 19, 2022, we launched the Women's Inclusion Network platform for our women colleagues to help them connect, learn and grow.

- **Embed sustainability**

  As part of the Tata Group, the ethos of responsibility and sustainability are interwoven in our corporate and work philosophy. We have signed up as a founding member of the India Plastics Pact, a collaboration between the Confederation of Indian Industry (CII) and World-Wide Fund for Nature-India (WWF India), which brings together multiple stakeholders to set time-bound target-based commitments to transform the current linear plastics system into a circular plastics economy. We have also announced sustainability targets in line with the Tata Group's vision in Project Aalingana.

  We are committed to a sustainable way of doing business and you can read about our efforts on this front in the later sections of this report.

KEY STRATEGIC DEVELOPMENTS

In the year under review, we faced challenges on two fronts – 1) volume softness in the beverages category owing to demand slowdown in some key markets; and 2) increase in commodity prices (coffee and salt) with elevated cost inflation and currency fluctuations precipitating pressure on margins across businesses. We made timely choices to increase prices, in some instances before competition to help protect profitability, and invested in our brands and capabilities (eg digital, R&D) to drive future growth, and focused on unlocking efficiencies across the value chain. Despite these challenges, we delivered a healthy topline growth of 11% led by both the branded and non-branded portfolios. Additionally, we were able to improve profit by mitigating cost pressures through pricing interventions and good control on costs.

We further accelerated our innovation agenda with a total of 34 new launches (compared to 19 in FY22), including new categories / geographies (eg Himalayan Honey and Preserves, protein platform with Tata Go Fit and Simply Better, Spices range for Karnataka market), health and wellness platform (Tata Salt Immuno, Tata Tea Gold Saffron, Iodized Pink Salt, Tata Soulfull Masala Oats+), convenience (Cold Coffee, Tata Sampann All Purpose Masala) and premiumization (new SKUs in 1868 Teas and Sonnet Coffees, Tata Coffee Gold) to name a few. We also transitioned the "TataQ" brand to "Tata Sampann Yumside" and relaunched a new range of products. During the later part of the year, we expanded our presence in the B2B segment and entered the RTE category in the US, UK and Canada (under the brand name "Tata Raasa")

Stepped up the innovation agenda with 34 new launches. Pilot launched in Ready to Eat space in US, UK and Canada

We are in the process of receiving the approvals from the Hon'ble National Company Law Tribunals (Bengaluru and Kolkata) for the Composite Scheme of Arrangement amongst us, Tata Coffee Limited, TCPL Beverages & Foods Limited. Post all the remaining approvals to the above Scheme, we will demerge the plantation business of Tata Coffee Limited to TCPL Beverages & Foods Limited, a newly formed wholly-owned subsidiary of the Company and amalgamate the extractions operations of Tata Coffee Limited with the Company to unlock synergies.

Digital is an important strategic pillar in our transformation agenda – a global S4HANA implementation has helped build a solid core foundation and we continued to invest in Cloud-based Data Platform to drive effective insights for faster business decisions. We have launched a Self Service enabled Sales Order portal for the General Trade (GT) channel in India. This is a real time ordering system that has been greatly appreciated by our distributors, and we now have 100% of our GT orders flowing through this system. We have also initiated the process of geo-fencing of the sales outlets in India – and we had already covered 65% of our outlets by March 2023. We leverage AI solutions to optimize our Tea blending operations in India and plan to extend it to our international operations in the upcoming fiscal year.

As part of streamlining back-end operations – we launched "TCP Pivot", an inhouse service delivery

centre. This will allow for greater control and visibility by leveraging technology and shared services. During the year, we transitioned back-end finance operations for India and International markets.

In R&D, we strengthened team capabilities as well as infrastructure by revamping our facilities to accelerate the pace of new launches and future proof and embed innovation (new product and cost) within the organization. We now have three R&D centres – Bengaluru (Centre of Excellence), Sricity (Process Excellence Centre) and Mumbai (Food Innovation Centre).

As part of improving our operational efficiencies and reducing cost base, we implemented the recommendations from the strategic review of our manufacturing and supply chain for our International businesses. Other major initiative was the network optimization and operating model design for the foods 3P network in India. In line with our commitment to move to sustainable packaging – we invested in plant and machinery for our Eaglescliffe factory in the UK and are planning to launch new sustainable pack in a phased manner to customers starting from the UK market and then extending into Canada and the US.

We continue to strengthen the Diversity & Inclusion pillar of Recruitment, Retention and Advancement. During the year, we conducted an Inclusive Hiring workshop that focused on building capabilities of the HR Business partners and Talent Acquisition team. We also invested in capability building with different learning programs across different functions and skill sets.

2.2 OPPORTUNITIES AND STRENGTHS

We have leading market positions in the Tea and Salt segments which contribute a significant share of our revenue. We aim to continue driving growth led by improvement in distribution, innovation and premiumization. We are leveraging our strengths in distribution, operational excellence and institutionalized benchmark practices in customer engagement and delivery processes to create a strong platform to build future businesses through both organic and inorganic means. These new businesses (including Packaged Food, Liquid Beverages, Breakfast cereals, Healthy Snacks, RTE as well as other newer categories being explored) are the future engines of growth and have the potential to scale over time. The rich heritage of the "Tata" brand inspires widespread trust and allows us to operate in different categories.

We are also the #2 branded Tea player globally ("Tetley") and have a sizeable presence in US Coffee, with our heritage brand Eight O'Clock. We enjoy strong brand equity, built over years, and a loyal consumer base. Teapigs and Good Earth are brands with premium offerings aimed at serving the emerging consumer needs and form our future growth engines. In our International markets, we continue to protect and strengthen the black tea business which forms the largest tea category, while focusing on product introductions in the growing non-black segment as well as strategically growing the ethnic portfolio (beverages and food). We are well positioned to leverage the growing consumer preferences for wellness, sustainability, authenticity and premium choices with products like Tetley Super Teas, Tetley Herbals, Good Earth, Eight O'Clock Barista Blends and Teapigs. We continuously evaluate our portfolio and drive cost optimization to enhance business effectiveness and profitability.

In B2B extractions business (Tea and Coffee), we enjoy healthy margins, and in the next few years are aiming to diversify our customer base as well as premiumize with innovation. At Tata Coffee Limited, our Coffee & Pepper Plantation and Extractions business performed well with improved realizations. As we plan to consolidate and simplify the corporate structure with the proposed Composite Scheme of Arrangement with Tata Coffee Limited, we will be able to create a focused business verticals in the Extractions business and unlock potential synergies, through a wider consumer base and combined expertise on the back-end.

2.3 EXTERNAL THREATS AND MITIGATION STRATEGIES

We operate in large and growing segments in India and the International markets. The Indian packaged foods and beverage consumption growth story remains strong with trends in health, wellness and convenience becoming even more relevant for the consumer as a result of the pandemic. The penetration of branded products still remains low but will continue to increase due to favourable demographics, rising per capita incomes,

urbanization, higher awareness and expansion of modern retailing and e-commerce.

We are well positioned to capitalize on this opportunity with a wide range of product portfolio, focused expansion of our sales and distribution system in India and improvements across our supply chain. Premium product offerings and new market models are also being developed. We are exploring opportunities to expand our products from the India portfolio in the International markets where we have presence to cater to both ethnic food aisles and the needs of the Indian diaspora.

Key threats to our business include changing consumer preferences, volatility in commodity and currency, inflation and concentration of retailers in developed markets. In FY2022-23, we witnessed exceptionally elevated cost pressures whether it be commodity prices, cross currency movements impacting prices of our key raw materials, packaging and freight costs. We took strategic pricing interventions to mitigate some of the effects of input cost inflation while protecting the interests of the consumers.

We continue to closely monitor the pandemic situation across the globe and place the highest priority on the health and safety of our employees. With a number of factories, warehouses and other on-ground operations across the world engaging thousands of workers daily, we have taken robust steps to ensure employee safety and business continuity.

2.4. GROWTH DRIVERS

a) India

While we faced volume softness in the Tea category during the year; we were able to deliver a robust performance in Salt as well as scale our Growth businesses (RTD Beverages, Tata Sampann, Tata Soulfull and Ready-to-Eat). Overall, the India business delivered 10% growth while the Growth businesses delivered 53% growth.

The Company expanded its distribution footprint to increase the direct reach by around 170K outlets to 1.5 million outlets and increased distributor count to more than 2,000, with total numeric reach of 3.87 million. This outlet expansion is supported with customized digitally enabled micro-market shopper marketing plan – which uses data analytics for decision making. We engaged closely with our modern retail, e-commerce and institutional customers as well as trained frontline sales and distributor workforce across 30 cities to improve assortment, coverage, availability and servicing metrics to drive growth during the year.

10% growth of total India branded businesses while India Growth businesses (RTD Beverages, Tata Sampann, Tata Soulfull and Ready-to-Eat) grew by 53%

Increased numeric reach to 3.87 million outlets

We continue to make good progress on the digital journey in India, as we integrated digital operations for the NourishCo business (Sales & Distribution automation). We also started the process of geo-fencing of our sales outlets; coverage completed for 65% of the outlets by March-2023. We have implemented a new cloud platform for our Customer Relationship Management which has improved service levels for our distributors. We executed an Integrated Business Planning solution for India and enhanced capability of Distributor Management Systems to improve efficiency.

i) Beverages

The India Beverages business (including RTD) grew by 1% during the year, however, on a 3-year CAGR basis (FY20-FY23), the business grew by 15%. The tea business saw marginal decline in volumes and 5% decline in value (with softening of tea prices) compared to FY22. We saw value growth in our Premium (led by Tata Tea Gold and Chakra Gold) and Popular (Kanan Devan and Spice Mix) segments, which was offset by economy (Agni) due to slowdown in its key markets.

In the packaged tea market, we had a minor dip in our market share primarily led by softness in performance of our mass brands, especially Agni. However, we addressed distribution gaps in a targeted manner and

continued to support brand investments to improve equity. We also achieved good success in our innovations to improve premiumization within tea. During the year, we launched a complete assortment of Coffee products – convenience (Quick Filter), premiumization (Cold Coffee, Café specials, Tata Coffee Gold) and geographic blends (Tata Coffee Grand Premium – Rest of India). We also continued with the hyper-local strategy for our brands to further strengthen the consumer connect.

The RTD beverages portfolio crossed the 600 Crores revenue mark and delivered strong growth of 86% during the year. Tata Gluco Plus delivered 53% growth led by the existing and new markets and was supported by TV campaign. The RTD business has doubled revenues for Tata Copper Plus with expansion to new markets that are now contributing to almost 53% of the overall revenue of the RTD business. It was an equally exciting year for Himalayan brand which grew by 85%. We also extended Himalayan as a Provenance brand and launched a range of premium products in a new category – Honey and Preserves. Other notable innovations include Tata Gluco Plus Juice and Jelly Shake and Tata Fruski Jelly– which saw encouraging response.

RTD Beverage crossed 600 crores revenue with broad based growth across brands

ii) Food

The Foods business (Salt, Sampann and Soulfull) grew by 26% during the year. FY23 was another strong year for the Sampann brand and we increased Soulfull distribution to almost double the size of business over FY22. In Salt, we continue to enjoy leadership position in India and further expanded our value share by 0.8% points to reach 37.7% (Nielsen).

The Premium Salt portfolio grew by 24% during the year led by distribution and drives to improve awareness and accelerate trials. We expanded our Salt portfolio with three new launches in the health and wellness space: (1) Iodized Pink Salt (low price variant in Rock Salt category for everyday cooking); (2) Tata Salt Vitamin Shakti (with added benefit of Vitamin D and Calcium to support bone health); and (3) Tata Salt Plus (with iodine and iron fortification).

Robust growth in Salt portfolio

23% growth in Tata Salt

24% growth in Premium Salts

The Tata Sampann portfolio continued to deliver strong growth, led by good performance seen across the categories – Spices, Pulses & Staples and New Products. In terms of recent launches, we witnessed continued good ramp-up in Poha as well as Dry fruits (the latter ramped up by 5x in terms of sales, albeit on a low FY22 base). The year also saw a lot of activities in terms of Innovation with curated assortment of pure and blended spices for the Karnataka market, Shahi Besan launch in select markets as a lower priced variant and entry into the nascent but growing categories of plant-based meat (Tata Simply Better) and health supplements like plant-based protein powder (Tata Go Fit). We relaunched "TataQ" as "Tata Sampann Yumside" and increased our range for both Ready-to-Eat (RTE) meals and Ready-To-Cook (RTC) gravies.

Tata Soulfull, revenue grew 2x times driven by distribution as well as it significantly improved the profit margins for the business by reducing manufacturing costs and freight, with higher direct shipments to Carrying and Forwarding Agents. Tata Soulfull Masala Oats+ was off to a good start and garnered a decent share of the category. The UN General Assembly resolution declared 2023 as the 'International Year of Millets' and the Government of India is increasingly pushing to improve public awareness on health benefits for millets, which should help increase consumer awareness as well help in making millets more mainstream within the consumer space.

Grew sales (scaled to ~2x) and improved profitability in Tata Soulfull

UN General Assembly declared 2023 as the 'International Year of Millets'

We also executed key recommendations of the Foods 3P network optimization project with the objective to make the organization future ready for some of our future core categories. As part of the project, new packing locations were identified to reduce costs (through a combination of lower distance travelled thereby reducing logistics costs, cross leveraging foods network and changing sourcing operating models/ locations for a select few categories) while increasing service efficiency across the supply chain. Full efficiencies are expected to be realized over the short to medium term.

iii) Tata Starbucks

Tata Starbucks, our 50:50 JV with Starbucks, opened 71 new stores this year – outpacing the last year's record of highest store opening in a single year (50 stores) and achieved revenues in excess of INR 1,000 crores. We are now present in a total of 333 stores and 41 cities in India. We launched a pilot that entailed newer food menu, wider beverage choices and a new small size beverage 'Picco' in select stores and cities to recruit new consumers. The pilot was a success, and we will be expanding it to other stores and markets. The year under review also marked our 10th anniversary, and we opened the first Starbucks Reserve® store in Mumbai, designed to bring the coffee experience to life for customers.

b) International

The International Branded business grew 8% during the year even as the volume growth was impacted by category softness given the macroeconomic headwinds. Across different countries, we successfully negotiated several rounds of strategic price increases across customers to offset the inflationary pressures in costs. We remained focused on sales performance on our core portfolio, delivering operational efficiency with identified projects, re-organization and restructuring (including integration of Teapigs into mainstream organization and hiring new talent in senior leadership positions) and preparing for a phased launch of Tetley with new sustainable packaging (starting with the UK next year).

We were able to successfully ramp up the ethnic portfolio of food and beverages and continued to see good response for Good Earth Tea, Tetley Supers (UK and Canada) and Tetley Gold Brew (black tea innovation launched in UK). We piloted the RTE launch in US, UK and Canada under the brand name "Tata Raasa" and have received favourable initial response.

c) Tata Coffee

During the fiscal, Tata Coffee Limited (including Vietnam) reported a strong growth of 25% in revenue, driven by both the Plantations and Extractions business. Within Plantations, which is ~32% of overall non-branded portfolio, growth was driven by an increase in commodity prices in the Coffee segment. Growth in the Coffee Extraction business was led by higher volumes in India operations and a mix of higher premium sales and volumes in Vietnam operations. We undertook a number of productivity initiatives in both Plantations and Extractions to improve quality and control costs in an inflationary environment.

2.5 ROAD AHEAD

We will continue to drive sustainable profitable growth with a focus on growing both the core (in India and International) and rapidly scaling the new Growth businesses in India supported by higher brand investments and increasing the breadth and depth of distribution, among other initiatives. Premiumization and innovation will play a key role in fuelling growth and we will continue to keep clear focus on executing cost initiatives including unlocking synergies with legal and organizational restructuring to support the business. In addition, we remain committed to exploring inorganic

opportunities that create long-term shareholder value.

2.6 SUSTAINABILITY

Sustainability continues to be core to our vision at Tata Consumer Products as we stand for better nutrition, for a better community, for better sourcing and for a better planet. During the year, we released our first impact reports for Tetley and Teapigs, showcasing some of our key initiatives undertaken to drive a positive impact.

- Our sustainability strategy 'For Better Living' is inspired by the Tata core values of Integrity, Responsibility, Excellence, Pioneering, and Unity and focuses on our corporate identity of 'For Better'. We have also announced sustainability targets aligned with the Tata Group's vision in Project Aalingana - around driving Net Zero, pioneering Circular economies, and preserving Nature and Biodiversity. As recognition to our efforts, we received the award for Best Growth Performance –F&B at India's Top 500 Companies 2021 conference by Dun & Bradstreet on the theme of 'Laying foundations for an ESG ready corporate India'.

- We are committed to sustainably sourcing our teas and encourage our supply chain partners to follow sustainable agricultural practices through Rain Forest Alliance (International markets) and trustea programmes (India). All Tetley blends in International markets are Rainforest Alliance certified. Tetley in the UK and the US is recognized on the Amazon website with a 'Climate Pledge Friendly' logo that uses sustainability certifications to highlight products that support Amazon's commitment to help preserve the natural world.

  The India trustea programme has cumulative verified volumes of more than 870 million kg tea till March-2023, which is over 55% of the total tea sold in the Indian markets. Since inception, about 92,000 small growers have been verified and 6.5 lakh workers reached under trustea. It has facilitated better working environment for women (maternity benefits, crèche facility), market access and better prices for small tea growers, structured grievance redressal system, decent housing, portable drinking water, and uniformity in system of wage payment for tea workers. The Trustea Sustainable Tea Foundation is now an ISO 9001:2015 certified organization and member of ISEAL under a globally recognized framework, that defines practices for effective and credible sustainability systems.

- As the largest buyer of tea from Malawi, we are dedicated to supporting a thriving, profitable and sustainable Malawi tea industry. Following Malawi 2020, we have launched several projects on the ground with the Ethical Tea Partnership. Project Kuwala (meaning Shine) is a 3-year project comprising two initiatives: (i) distribution of solar lights, which provides multiple benefits such as allowing children to do homework after dark, reducing household costs and creating jobs through training villagers to maintain and repair the lights; and (ii) Village Savings and Loans Scheme which enables women and men with the ability to save as a community and access safe affordable loans.

- For better communities, we aspire to support development programmes for 2 million beneficiaries by 2030; and have already supported ~1.25 million beneficiaries by March 2023. In India, we provide affordable healthcare to over 100,000 tea community members annually through our hospitals in Munnar (Kerala) and Chubwa (Assam). The hospital operates on a not-for-profit basis and caters to patients from not just the nearby area, but also the neighbouring states. The hospitals are recognized for healthcare facilities, professionalism, safety, ethics, and affordability.

- We are aligning our GHG emissions targets with the larger Tata Group. Our UK factory uses offsite solar power for its operations and has also installed a biomass boiler for reducing its GHG emissions. Our different factories in India have also commissioned solar PV modules using the latest multi-crystalline technology. At the Damdim packeting centre, multiple energy savings projects have been implemented. We were awarded the First Prize in the Consumer Goods Sector of the National Energy Conservation Awards -2022 (NECA 2022) and received the Gold Award in the Category 2 – Climate Change of the ICAI International Sustainability Reporting Awards 2021-22.

Awarded the first prize in consumer goods sector of the National Energy Conservation Awards 2022

- We have joined the India Plastics Pact, as a founding member. The pact focuses on creating a circular economy for plastics. We had earlier joined the UK Plastics Pact in 2018 and the EU Plastics Pact in 2021. Our teams are actively engaged in the Advisory Committee and Collaborative Action Groups (CAG) to co-create a road-map for plastics management. All our beverages factories worldwide are now zero waste to landfill and all wastes are disposed of through authorized vendors who recycle or repurpose them to avoid landfills. In our International markets, we continue to rollout biodegradable tea bags (for example – our Poland team launched 17 new plastic free SKUs for the Vitax brand). Our Extended Producer Responsibility (EPR) target in India is to collect 100% of total packaging for Beverages, Food and RTD divisions; and we achieved the target in FY23.

  We also partnered with Wastelink and together, we collected and recycled waste into animal feed. Wastelink is a Gurgaon based company that enables food manufacturers, kitchens and restaurants manage their surplus and waste through an innovative operating model that transforms food waste into nutritional animal feed.

- Project Jalodari is our flagship water management programme. The key objectives of the project are to create sustainable water sources, raise awareness, and build capacities around sanitation issues in the communities where we operate. As part of the project, we have established rainwater harvesting structures in all tea packeting centres in India, and 98% of rooftop area has been connected for water recharge. The Project received the CII National Award for Water Management 2021 in the 'Beyond the Fence' category. The Project has now been extended from the year 2021 to 2025, and will expand to other areas.

3. INDUSTRY AND BUSINESS OVERVIEW

3.1 INDIA BUSINESS

The packaged foods and beverages segment continues to deliver good growth in the FMCG industry as the underlying drivers remain robust with attractive demographic profile and rising consumer affluence, increasing penetration and low organized share. The organized Indian food and beverage market is expected to grow at 10-15% over the next 5 years. In the past 6-12 months, the sector saw significant input cost inflation with the increase in commodity costs impacting overall demand trends, especially in rural markets.

a) Industry overview and Outlook

We operate in the sub-categories of Tea, with brands like Tata Tea Premium, Tata Tea Gold, Tata Tea Chakra, Tetley, KananDevan, Gemini, Lal Ghoda, Kala Ghoda and Teaveda; Coffee with the brand Tata Coffee Grand and Sonnets; and RTD with brands, such as Himalayan, Tata Gluco Plus, Tata Copper Plus and Tata Fruski. We further operate in the pantry/snacking segment with our Sampann and Soulfull brands.

Tea

The total Indian tea market is estimated to be worth ~INR 34,400 Crores, with the branded business constituting ~74% of the overall market (by value). Tea remains the favourite Indian beverage with a high consumer preference for boiled milk tea. During the year, we saw higher volume growth in the lower priced segments (Popular and Economy) as consumers, impacted by high inflation, shifted preferences; but in value terms, there was growth across all the tiers (including Premium). Green Tea is estimated to be a niche segment (~3%) currently. In terms of channels, the emerging alternate channels of Modern Trade and Ecommerce are gaining significance. Health and wellness remain a significant consumer trend post the pandemic and consumers are showing a preference for the functional benefits of their cup of chai.

Coffee

Branded Coffee is a ~INR 3,160 crores category, with Instant Coffee constituting the largest sub-segment at ~80-85% and growing as consumers continue to prioritise convenience. We are also seeing the emergence of artisanal and gourmet Premium Coffees – estimated to be 5-6% of the organized market.

In terms of at-home consumption, consumers in South India prefer both Instant and Roast and Ground (filter coffee) and consume regularly throughout the year, while coffee remains an aspirational product across the rest of India with higher demand for Instant Coffee during winters.

Salt

The Indian branded salt market is estimated at ~INR 7,500 crores. We have a national presence in the category with the vacuum evaporated "Tata Salt", the lower-priced solar salt "I-Shakti", the mid-tier solar salt "Shuddh" and a range of value-added premium salts (Tata Salt Lite, Tata Salt Super Lite, Black Salt, Rock Salt and Tata Salt Immuno). In addition, this year, we added a lower priced variant in Rock Salt (Iodized Pink Salt) and new value-added variants in Tata Salt (Tata Salt Iron Health and Tata Salt Vitamin Shakti). Our supply partner, Tata Chemicals Limited has 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, Tata Salt Super Lite and mineral-rich rock salt and black salt. I-Shakti, Shuddh and Crystal salt are being used to drive penetration and growth in the South markets.

Water

The India packaged water market is estimated to be ~INR 20,000 Crores, with ~60% of the market being unorganized. The per capita consumption still remains significantly lower than that of developing/ developed markets, but with the growing per capita income, rising mobility and urbanisation, the industry is seeing good growth.

Within the category, we play in four segments – functional hydration drinks (Tata Gluco Plus), natural mineral water (Himalayan), packaged drinking water (Tata Copper Plus) and fruit based drinks (Tata Fruski). Our brand Himalayan was the first entrant in the naturally sourced mineral water category and continues to enjoy leadership position in the Premium sub-segment.

Pulses

Tata Sampann is the pioneer and the first national branded player in the pulses category and enjoys a high brand affinity among its core consumer segment. 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. The industry is estimated to be larger than INR 1.7 lakh crores with less than 2% of the segment being branded.

The trend towards migration from loose to packaged pulses and staples has been fuelled by the increasing preference for better quality packaged products, the launch of differentiated products (Tata Sampann Unpolished Dals and organic range of pulses) and growth in the number of organised players entering the category.

Spices

The total branded spices in India is estimated to be ~INR 25,000+ crores industry. It is a highly cluttered market, driven by regional preferences for taste. Straight/Pure spices form the significant share of the market, with competition from loose players, while blended spices are mainly branded with a loyal consumer base, driven by higher convenience and certainty of taste. There is an increasing demand for branded products with consumers looking for pure, hygienic and authentic straight/pure spices and convenient to use blended spices with the certainty of taste. The introduction of small packs and increased product shelf life have also helped in the shift from loose to branded.

Snacks / Ready to Cook

Overall snacks is estimated to be ~INR 85,000+ crores segment with a high share of branded play. Today's consumer wants to be given the option of different taste choices, including healthier food and convenience in multiple mini meals (for example: Tata Sampann Chilla Mix, millet-based breakfast cereals). Work-from-home and the continued higher in-home consumption post Covid-19 led to a higher preference for healthier snacking options. Focus on health and wellness is also reflected in the increasing importance of natural ingredients and functional propositions like protein.

Outlook

We will continue to see consumption-led growth in India with a favourable young demographic profile, rising affordability and better infrastructure reach for rural markets supported by increase in penetration and rising share of the branded market. Conversion to branded packaged food will continue to accelerate in post pandemic era with consumers making conscious choice to consume trusted and healthier products. Along with the increase in internet users and access to social media, we are seeing the emergence of digital only brands with a Direct-to-Consumer business model.

We will continue to focus on growing and building distribution, investing in improving brand equity and new product innovation centred on the health, convenience and premiumization platform. We will tap opportunities at the intersection of health and taste with both ready-to-eat and quick-to-cook options.

b) Business performance

Tea

We increased our direct reach by 170K outlets (to around 1.5 million outlets) and in terms of overall outlets, crossed 2.6 million (Nielsen). We saw a minor decline in market shares due to demand softness in some key markets and segments. Tata Tea was awarded again as the Most Purposeful FMCG brand in India by Kantar Brandz 2022 Most Valuable Indian Brands. Tata Tea Chakra Gold won the Brand of the Year at Exchange4media's Indian Marketing Awards South 2022

Increased numeric reach for tea to 2.6 million outlets

The tea volumes were marginally lower than previous year and in terms of value, the tea business declined slightly mainly due to price cuts in-line with the decline in commodity prices, however, our premium brands delivered an overall 2% value growth.

We launched new products leveraging on the underlying category trends - health and wellness (Tata Tea Gold Saffron and Tetley Green Tea Immune Tulsi), premiumization (new range in 1868 Teas) and convenience (Tata Tea Premium Street Chai). We also scaled Tata Tea Gold Care and Chakra Gold Care ranges.

We continued with our hyperlocal strategy for Tata Tea Premium (#DumdaarUP, #Kadak Haryana) and also leveraged cross sampling opportunities with our other products to drive awareness and trials for the latter (e.g. with TATA Soulfull Masala Oats, Tata Coffee and Tea Veda). We also did festival specific campaigns e.g. Tata Tea Leaf limited edition pack celebrating the Chhath Puja in Bihar and Jharkhand, Tata Tea Gold celebrating the various art forms of West Bengal to bring alive the joy of Durga Puja, Navaratri campaign in Andhra Pradesh and Telangana and Tamil Nadu Deepavali campaign by Chakra Gold, Lohri campaign in Punjab by Tata Tea Premium in association with Punjabi actor Shehnaaz Gill, to name a few.

In the 15th year of "Jaago Re" campaign, we raised the issue of climate change. Launching on the World Environment Day (5th June), we released a new TV campaign with actor Pankaj Tripathi, who was also a part of the first ever Jaago Re communication. Over the years, Jaago Re has been used as a platform to talk about social/ contemporary issues as well as inviting call to actions.

We also ran a social campaign during the Independence Day celebrations with Tata Tea Premium, launching the limited-edition art infused tea-set and tin pack collection called #DeshKaGarv in association with the Plated Project; and 100% of the proceeds were donated to sponsor meals for underprivileged children. For the Navaratri campaign in

Andhra Pradesh and Telangana, we launched 'Mana Kondapalli Bommalu Utsav' initiative to celebrate and support the Kondapalli art form and artisans. The Kondapalli artform originated from the Kondapalli village, Krishna district with a 400-year-old rich heritage and unique craftsmanship which brings alive tales of rural life, folklore and animals. We collaborated with Lepakshi, a unit of Andhra Pradesh Handicrafts Development Corporation, to encourage consumers to purchase Kondapalli Toys by referring to a QR code placed on Tata Chakra Gold's Navratri special edition packs.

For Tetley – we launched #everyBODYcan campaign which encourages consumers to go beyond just looks, embrace their body type and focus on being fit. The campaign emphasized the importance of "feeling fit" vs just "looking fit".

As part of our health and wellness platform, we launched Tata Tea Gold Saffron, a blend of fine Assam tea combined with the flavour of rich and fragrant saffron. Initially launched in Andhra Pradesh and Telangana, we have expanded distribution to Tamil Nadu, Punjab and Haryana. We also added to the Tetley Green portfolio by launching Tetley Green Tea Immune Tulsi, which provides the goodness of antioxidants and immunity power of added vitamin C, with Tulsi flavour.

We continued to strengthen back-end operations with a number of initiatives including network expansion to support growth ambitions and driving cost efficiency with digitization and improving service levels. Our Dam Dim Packaging Centre won the first prize in the National Energy Conservation Awards 2022 in the FMCG sector presented by the President of India.

Coffee

We were able to grow coffee volumes by 18% during the year. To drive trials, we cross sampled our coffee offerings with Chakra Gold in South (Tamil Nadu and Andhra Pradesh) and Tata Tea Premium in North. We built on the "Shik Shik Shik" campaign released last year in Tamil Nadu. Tata Coffee Grand won a Bronze at the ET Shark Awards for Regional "Sounds of Pongal" campaign.

We significantly accelerated the pace of innovation and launched several new products – premium instant coffee for non-South geography (Tata Coffee Grand Premium, a 100% coffee blend with flavour locked decoction crystals) and new range for Tata Coffee Sonnets, Café Specials and Cold Coffee. We also did pack restage for Tata Coffee Grand and Quick filter. For Tata Coffee Grand Premium, we supported the launch with a differentiated campaign using ASMR (Autonomous Sensory Meridian Response) that showcased the sensory journey of Tata Coffee Grand Premium from the bean to the cup.

Liquid Beverages/ Ready-to-Drink

RTD business continues to deliver exceptional growth and crossed a milestone INR 600 crores in turnover in the year, growing 86% year-on-year. We saw broad-based growth across brands – Tata Gluco Plus, Tata Copper Plus and Himalayan – across both core and new markets. In terms of distribution, we expanded our reach by 217K to 652K outlets. We also implemented digitization in the front and back-end to integrate with our systems. The year saw the business adversely impacted by commodity and freight cost inflation. However, we were able to offset the same with the execution of strategic cost saving initiatives along with tighter control of spends.

Delivered 86% revenue growth and expanded reach to 650k+ outlets

Extended Himalayan into Honey & Preserves category

Himalayan saw improvement in profitability, and we also extended it to a provenance brand with entry into a new category of Honey & Preserves. The products are made in small batches using Himalayan-origin fruits and sourced from partners committed to helping local communities. The honey is sourced from 'Pahaadi Utpaad', Tata Trusts' associate organization that promotes traditional bee-keeping methods with an objective to source unadulterated mountain honey and establish a mountain honey value chain. Other innovations include - Tata Gluco Plus Jelly Energy Drink,

the first drinkable jelly in India filled with the goodness of glucose and real fruit juice and Tata Gluco Plus ORS, in the functional beverages space.

Tata Gluco Plus launched its first national campaign that embodies the brand's purpose of making challenges fun. The campaign uses light humour to connect with Gen-Z while gamifying the brand experience through the Energy On Game On narrative. The brand has used gaming technology with a Scan, Play and Win on the pack, which allows the consumers to scan the QR code on the Tata Gluco+ cups, get a chance to play engaging games on their phones, and also get rewarded.

Salt

We continue to enjoy strong leadership position in the packaged salt category with value share of 37.7% (MAT), up by 0.7% points compared to Mar-22. The brand is distributed across 2.4 million outlets and 222 million households across the country making it the largest distributed brand in India. We continued to expand our distribution as our weighted distribution expanded by 0.7% points – led by both core Tata Salt and innovations.

While Tata Salt recorded double digit growth (23%) during the year led by strategic pricing actions to combat cost increases. We continued to ramp up our Premium Salt portfolio (Tata Salt Lite, Tata Salt Super Lite and Rock Salt), which grew 24% during the year. This year we had three launches in the Salt portfolio: dding to health and wellness platform with Tata Salt Vitamin Shakti (fortified with Vitamin D and Calcium) and Tata Salt Iron Health (fortified with Iodine and Iron); and lower priced Rock Salt – Pink Salt (fortified with Iodine) to play in the untapped lower priced category currently dominated by local and regional players. We also relaunched Shuddh with attractive new packaging, which has been well received in the market. We also significantly scaled up Tata Salt Immuno (fortified with Iodine and Zinc) by launching it in new states and supporting with media investments. During the year, we ran a TV campaign 'Har Narangi Pack Tata Namak Nahi Hota' with actor Ravi Kishan, to build awareness among consumers and trade partners against counterfeits.

Pulses and Spices / Others

The Sampann portfolio (Pulses, Besan, Vital Staples, Spices and Dry Fruits) continued to grow on double digit basis. In Spices, we launched new blends (All Purpose Masala, Hing) as well a range of spices tailored for Karnataka market (Pures and Blends), which were well received. Poha and Dry Fruits delivered robust performance. We launched a new campaign for Sampann with actor Manoj Bajpayee for both our Pulses and Spices range highlighting the quality and nutritional benefits of our products. Our Karnataka launch was supported by TV campaign featuring Priyamani, to communicate the brand's commitment to serve authentic flavour.

This year also marked our entry into an emerging and growing space of plant protein with two launches: (i) Tata Go Fit, plant protein powder; and (ii) Tata Simply Better, alternate meat range of RTC products (Nuggets, Burger Patty, Awadhi Seekh Kebab, and Spicy Fingers) with no added preservatives, artificial colours, or artificial flavours. Globally there is an increasing focus on plant protein with an emphasis on health, sustainability and animal welfare. Although this trend is still nascent in India, analysts are estimating that this category will see exponential growth with increasing awareness over the next decade.

Snacks / Breakfast Cereals

It was an exciting year for Tata Soulfull as we scaled the business to ~2x with distribution expansion. We were also able to significantly improve margins by improving manufacturing efficiency, increasing direct shipments to Carrying and Forwarding Agents as well as improving customer service levels. We supported our innovation Tata Soulfull Masala Oats+ with a 360-degree campaign (Non-sticky Mast taste Zabardast) and it was able to gain decent share in its first year of launch. Other notable innovations include - Ragi Bites Enhanced cream and Enhanced Millet Muesli (with increased millet content of 25%). Our application under the Production Linked Incentive Scheme on higher millet content (above 18%) was successfully

approved.

Ready-to-Eat

During the year, we also pivoted our TataQ range and rebranded under the Sampann brand to Tata Sampann Yumside. We also refined the proposition and revamped the portfolio by improving recipes and packaging and expanding into the ethnic range. We also piloted the launch in International markets (US, UK and Canada) under brand name "Tata Raasa" with full scale launch planned for next financial year.

Road ahead

We will continue distribution-led volume growth in India with favourable macro- and category-dynamics. Our focus will remain on building sales and distribution infrastructure, and investing in building capabilities and behind our brands.

We will also explore opportunities to optimize our supply chain network and realize cost synergies in the medium to long term. This includes moving packing locations closer to demand centres, cross leveraging network across various categories, exploring new sourcing locations and changing sourcing operating models for relevant categories.

3.2 INTERNATIONAL BEVERAGES

a) Industry overview and outlook

Tea

The Global Hot Tea industry is estimated to be around US$45-50 billion. While Black/ Everyday Black remains the largest segment, it is facing long term headwinds as the consumer preferences shift towards non-black segments (Green, Fruit & Herbal, Decaf, Specialty, Cold Infusions, among others). Out-of-home consumptions has picked up but is still lower than pre-pandemic levels.

There continues to be a strong consumer focus on Health & Wellness/ immunity and transparency on ethical and sustainable sourcing credentials. Ecommerce continues to be an emerging growth channel. Although the rate of growth was impacted during the year owing to inflationary trends with supply chain disruption, but medium-term growth trends remain intact.

Coffee

The size of the retail hot coffee market is double that of tea. The US continues to be the world's largest coffee market and is leading the category's growth. Roast & Ground, Beans, Pods, and Instant Coffee are the four sub-categories of coffee. In strong café culture markets like the US – Roast & Ground and Pods contribute a significant portion of coffee market while in emerging coffee markets like Asia and the Middle East – Instant Coffee forms the largest sub-category.

Apart from single origin coffees, we are witnessing increasing consumer interest for café inspired blends (eg EOC Barista Blends). Similar to tea, there is an increasing consumer interest for traceable sustainable coffee origins. We are also experiencing the growing influence of social media accelerating online shopping for consumers.

Outlook

The continued impact of inflation and lower growth rates in development economies will make for a softer demand environment continuing into next year.

b) Business performance

UK

During the year, the UK business largly in line with previous year in underlying terms, despite tough business environment. We integrated the Tetley and teapigs businesses to combine teams and restructure operations to operate as one Tata Consumer unit. As a testament to the strength of our supply chain and operations, we were placed at 3rd position in the Advantage group report 2022 across 22 suppliers in the core grocery peer group and 5th overall. It was the third consecutive year with top tier ranking for us. Advantage Group provides benchmarking study for the suppliers and retailers/ wholesalers.

We capitalized on the following trends to launch new products during the year to recruit new consumers for the brands (i) premiumization with Tetley Gold Brew in black tea and (ii) new consumption occasion with teapigs Iced tea in summers. We also did a limited edition launch of tea caddy with a pack of our best-selling Tetley Original. The tea caddy design celebrates our

185th year as tea masters launched in select retailers and e-commerce channels and the tin is embossed with crest to celebrate our love for tea as well as pay homage to the tea lovers of Britain.

We supported both our Tetley and teapigs with marketing investments. This was the first year for teapigs to be on TV and we ran the 'Live large, Brew big' campaign which had a series of snapshots of tea lovers living their best tea life with teapigs every single day. For Tetley, we continued to air the 'For the love of tea, for the love of Tetley' campaign evoking the country's love for tea and trust in Tetley's long-standing heritage across different formats.

US

In Coffee, we delivered an overall revenue growth of 7% in constant currency during the year and navigated multiple price increases with increase in coffee commodity costs and input inflation. Our overall share in the category was stable at 1.8% while it improved marginally for Kcups/ pods. We did packaging refresh for Eight O'Clock for both our Bags and pods format, which was well received by the trade and consumers. We expanded on the Barista Blends rooted in responsibility campaign this year. We also partnered with the International Women's Coffee Alliance in their mission to empower women in the coffee industry to achieve sustainable livelihoods. Our factory Landover received AA+ rating in BRC audit (BRC refers to British Retail Consortium and is an assessment of a food manufacturer's adherence to its Global Standard for Food Safety)."We also combined the US Coffee Center of Excellence and Operations functions to invest in a fit-for-future cost-of-goods-sold organization.

In Tea, we integrated the team and operations for teapigs within the US tea umbrella. Teapigs is currently the fastest growing tea brand in the US, albeit from a small base. We launched Tetley Sweet Tea Cold Brew which offers convenience and strengthens our presence in the specialty tea segment. Our innovation Tetley Irish Breakfast continued to perform well in the market.

We piloted the launch of Tata Raasa launch this year in January 2023 in the Ethnic channel and the initial response was encouraging. This was supported by in-store activations, radio and outdoor advertising across three states. We are planning a larger mainstream launch in the next fiscal year.

Canada

We continued to hold No. 1 position in the Canadian tea market and delivered revenue growth of 9% in constant currency during the year. Our market shares have been stable compared to previous year. Tetley emerged as the "Most Trusted Tea Brand 2022" - Reader's Digest, for the 9th year in a row and reinforced our position in the consumer's mind. We also celebrated our 21st year of support for breast cancer research with the Canadian Cancer Society, by launching a limited-edition Anniversary Pink Pack design, that was voted for by over 2,500 fans via social media.

Key marketing activities including supporting Tetley Cold Infusions in summers "Unboring your Cold Water naturally", with activations in-store and on social media as well as increasing trials with sampling. In the winters, we supported our Tetley Live Teas with "Live in the moment" digital and TV campaign, which was also supported by a live experiential activation involving sampling, PR, and influencers.

This was also the first year of us lending investment support to the ethnic portfolio. In the summers, we launched a digital campaign for Tata Tea Premium with ads displayed on popular South Asian websites and geo-targeted to Food Basic locations. This was followed by a digital Diwali campaign for Tata Sampann and Tata Tea to drive awareness and trials from the ethnic community. In February 2023, we launched the Tata Tea "New beginnings" campaign on digital media channels, supported by radio, social and in-store touchpoints. We are also piloting the Tata Raasa launch in Canada with full scale launch next year.

Australia

We started the year with restructured operations as we moved to a new distributor model, as part of our efforts to simplify the organization

structure and realize efficiencies. The business has been able to maintain its market share position. During the year, we launched "Spill the tea" campaign for Tetley, which is a quirky advertisement aimed at recruiting younger audience set to the category. The activation was done across digital, outdoor, radio and social platforms and supported by instore activities.

Road ahead

We will continue to drive sustainable profitable growth by building distribution with focus on delivering differentiated innovation to improve share in growing categories of non-black and Coffee as well expanding our portfolio range. We will continue to focus on premiumization and execute cost-saving initiatives to unlocking synergies.

3.3 NON-BRANDED BUSINESS

The Plantations business, which is ~32% of the total unbranded business, grew by 21% led by Coffee plantations with higher commodity prices. The Tea plantations segment also delivered growth led by mix of price, with improvement in quality and product mix, and volumes, including productivity improvement measures taken during the year. We continue to explore opportunities for yield enhancement, cost optimization, and diversification for increased value addition.

While the overall Extraction portfolio, which is ~68% of the total unbranded business, grew by 21% led by performance of Coffee extractions; Tea extractions performance was adversely impacted by a weaker business environment. In Coffee, both our India and Vietnam businesses delivered robust performance, despite challenging conditions due to Russia-Ukraine conflict and the inflationary environment impacting business demand (eg in European and African markets). Despite the same, the business delivered good results by leveraging relationships with large-branded players, getting into forward contracts and increasing revenues from differentiated blends.

In terms of sustainability, the business made good strides as our Theni Coffee plant now runs on 100% renewable energy.

Road ahead

Russia remains a key market for Instant Coffee operations globally (with the presence of all leading global soluble coffee brands and assets) and as well for Tata Coffee. However, with the improvement of macroeconomic conditions, we believe that the markets of Europe, Africa and South Asia will bounce back, and we will focus on diversifying our sales mix. These markets are also important for growing our Tea Extractions portfolio.

Post the final approval from Hon'ble National Company Law Tribunals (Bengaluru and Kolkata benches) of the Composite Scheme of Arrangement with Tata Coffee Limited, we will be integrating our Tea and Coffee Extractions businesses to unlock synergies.

3.4 OTHERS

Tata Starbucks

Crossed 1,000cr revenue milestone and celebrated 10th anniversary.

Opened first Starbucks reserve store in India

We expanded our store base to 333 stores by adding 71 new stores and city coverage to 41 with entry into 14 new cities during the year. FY23 also marked our 10th anniversary, and we kick started the celebrations with the opening of the first Starbucks Reserve store in Mumbai. The Reserve store will further elevate the signature Starbucks Experience by introducing an intimate, multi-sensory coffee experience to customers. We also ran 'Brew Your Own Starbucks' campaign giving customers a chance to create beverages to be featured on the Starbucks menu. As an initiative to thank our partners (employees), we announced an expanded insurance option for the parents of partners, one of the most requested benefits across the market.

The business also crossed a milestone revenue of INR 1,000 crores during the year under review, driven by same store sales growth as well as new store additions. Post Covid-19, the delivery channel continues to perform well, and we are seeing a sequential improvement in average daily transactions. During the year, we ran a pilot in select stores across four cities with new additions to the menu for both food and beverages including freshly assembled sandwiches, milkshakes, filter coffee, vegan menu offerings and "Picco" a small beverage format. The pilot was successful, and we plan to scale it to other stores in the upcoming fiscal year.

During the year, we partnered with leading designer and couturier Sabyasachi Mukherjee to launch limited-edition lifestyle drinkware merchandize. The 'Sabyasachi + Starbucks' collection featured a range of drinkware including ceramic mugs and steel tumblers, showcasing Indian art and culture. Part of the proceeds was used to support 'Educate Girls', a non-profit organization working towards improving girls' and young women's education across rural India. This was very well received and was one of the highest ever merchandize sales through a partnership.

Tata Starbucks also partnered with TRRAIN Her to skill 1,000 young women, with sponsorship from the Starbucks Foundation. Tata Starbucks, as an equal opportunity employer, has been able to achieve a 40% women representation in its talent force, including with 20 all-women stores.

ROAD AHEAD

We remain committed to aggressively increasing our store base in India with expansion both in existing as well as new cities while looking at improving customer and partner experiences, investing in digital infrastructure along with exploring cost-saving opportunities to improve profitability. Delivery will remain a channel of focus as work-from-home through hybrid model is expected to continue in the near term.

4. FINANCIAL REVIEW

4.1 CONSOLIDATED PERFORMANCE

Key financials

Consolidated Revenue from operations at INR 13,783 crores, grew by 11% (10% in constant currency) mainly driven by revenue growth from across branded and non-branded businesses

- India Business grew by 10% mainly driven by
  - India Salt business , grew by 25% led by price increases and volume growth
  - Growth Business grew by 53%, growth across all verticals, mainly led by increased distribution reach in existing states and expansion into new states
  - India Beverages marginally declined , mainly due to stress in rural demand and delayed onset of winter
- International Business grew by 5% in constant currency , on account of price increases taken across most markets.
- Non-Branded business revenue grew by 21% in constant currency driven by higher realisation in coffee plantations and extraction business

Earnings before interest, taxes and depreciation and amortisation (EBITDA) were at INR 1,874 crores, improved on absolute terms by 7% over previous year, mainly led by revenue growth and good control on costs. EBIDTA margin at 13.6%, largely in line with prior year, despite inflationary trends across markets for a major part of the year.

Profit before exceptional items and taxes (PBIT) at INR 1,634 crores was higher than the previous year by 8%.mainly led by growth in operating profit and higher other income

Exceptional items represent, profit on sale of investment property in Tata Coffee, accounting gain on conversion of South African and the Bangladesh entities into subsidiary partly offset by re-structuring and re-organisation costs

Group net profit for the year stood at INR 1,320 crores, higher than the previous year by 30%, aided by higher exceptional income and improved performance of Tata Starbucks.

Earnings per share were at INR 13.02 for the year as compared to INR 10.15 in the previous year.

Performance snapshot

The consolidated financial highlights for FY 2022-23 are as follows:-

In INR Crores

Particulars	FY 2023	FY 2022	Change
Revenue from Operations	13,783	12,425	11%
Operating profit before depreciation and amortisation (EBITDA)	1,874	1,749	7%
EBITDA %	13.6%	14.1%	(50 bps)
Operating profit (EBIT)	1,570	1,471	7%
EBIT %	11.4%	11.8%	(40 bps)
Profit before exceptional items and taxes	1,634	1,508	8%
PBT (bei)%	11.9%	12.1%	(20 bps)
Exceptional items (net)	159	(52)	506%
Profit before tax	1,794	1,456	23%
Profit after tax	1,347	1,076	25%
Share of profits/(loss) of JVs and Associates	(26)	(64)	59%
Group net profit	1,320	1,015	30%
Net Profit Margin %	9.6%	8.2%	140 bps

INR Crores

Particulars	FY 2023	FY 2022	Change
Net Worth	17,127	16,294	5%
Capital Employed	4,575	4,482	2%
Goodwill	8,025	7,754	3%
Brand (indefinite life)	2,093	2,093	0%
Borrowings (excluding lease liabilities)	1,183	1,011	17%
Cash and cash equivalents, including current investments and ICDs	4,076	3,455	18%
Net Cash/(Debt)	2,893	2,444	18%

Key financial ratios	FY 2023	FY 2022	Change
Return on Capital Employed (RoCE) %	34.31%	32.82%	150bps
Return on Net Worth (RoNW)%	7.90%	6.36%	154bps
Basic EPS (₹/Share)	13.02	10.15	28%
Debtors' turnover (Days)	22	23	(4%)
Inventory turnover (Days)	66	66	0%
Interest coverage ratio	19.75	21.72	(9%)
Current ratio	2.12	2.25	(6%)
Debt equity ratio	0.09	0.09	4%

Return on net worth has improved mainly due to higher operating profit, higher exceptional income and improved performance of Tata Starbucks

4.2 STANDALONE PERFORMANCE

Key financials

Revenue from operations at INR 8,538 crores, grew by 8%, driven by higher distribution reach and investment behind brands. Revenue growth was mainly led by Salt, driven by price increases and volume growth, volume growth in Sampann led by innovation and distribution expansion partly offset by marginal decline in India Beverages on account of stress in rural demand for most of the year and delayed onset of winter.

Earnings before interest, taxes and depreciation and amortisation (EBITDA) at INR 1,323 crores, grew by 19%. EBITDA margins at 15.5% improved by 150 basis points mainly led by improvement in Salt margins on account of price increases taken and overall good control on costs, partly offset by competitive price corrections in Tea.

Profit before exceptional items and taxes (PBIT) at INR 1,306 crores was higher than the previous year by 11%, Driven by improved operating margins partly offset by lower other income in current year

Exceptional items represent re-structuring and reorganisation costs

Profit after tax at INR 950 crores was higher than the previous year by 7%, mainly due to higher operating profit, exceptional items and higher taxes.

Performance snapshot

The standalone financial highlights for FY 2022-23 are as follows:-

In INR Crores

Particulars	FY2023	FY 2022	Change
Revenue from Operations	8,539	7,932	8%
Operating profit before depreciation and amortisation (EBITDA)	1,323	1,111	19%
EBITDA %	15.5%	14.0%	150bps
Operating profit (EBIT)	1,177	969	21%
EBIT %	13.8%	12.2%	160 bps
Profit before exceptional items and taxes	1,306	1,178	11%
Exceptional items (net)	(39)	(27)	(44%)
Profit before tax	1,267	1,151	10%
Profit after tax	950	886	7%
Net Profit Margin %	11.1%	11.2%	(10 bps)

In INR Crores

Particulars	FY2023	FY 2022	Change
Net Worth	12,753	11,762	8%
Capital Employed	5,212	4,357	20%
Goodwill	3,579	3,579	0%
Brand (indefinite life)	2,093	2,093	0%
Borrowings (excluding lease liabilities)	40	-	100%
Cash and cash equivalents, including current investments and ICDs	2,328	2,047	14%
Net Cash/(Debt)	2,288	2,047	12%

Key financial ratios	FY2023	FY 2022	Change
Return on Capital Employed (RoCE) %	22.58%	22.25%	33bps
Return on Net Worth (RoNW)%	7.75%	7.71%	4bps
Basic EPS (Rs/Share)	10.27	9.61	7%
Debtors' turnover (Days)	13	12	8%
Inventory turnover (Days)	57	62	(8%)
Interest coverage ratio	45.50	40.57	12%
Current ratio	2.43	2.56	(5%)
Debt equity ratio	0.02	0.02	9%

5. RISK MANAGEMENT

The 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 those risks that impact medium- to long-term objectives of the business, including those reputational in nature.

We have an elaborate risk charter and risk policy defining our risk management governance model, risk assessment and prioritization process. The Risk Management Committee adopted a follow- up risk management framework – ERM4Business. As part of our evolution towards an advanced ERM practice, which would effectively embed risk management as a part of business processes, a digitised follow-up mechanism was developed. This will institutionalize the process by enabling real-time and seamless access to all key business stakeholders for the periodic update, monitoring, and reporting of respective risks, mitigation plans, and associated target KPIs. The Audit Committee has an additional oversight on financial risks and controls.

Please refer page no. 136 of integrated reporting section of this report for risk management framework and key risks including the mitigation measures.

Additionally, a third-party organization benchmarked our risk management practice with various companies in India and globally. We were declared 'Masters of Risk' in the FMCG category, for the third consecutive time at the eighth edition of The India Risk Management Awards 2022 by CNBC TV-18 and ICICI Lombard. This is a coveted award and winners are decided after a rigorous review of various large-cap FMCG companies by an independent panel of jury. The win is a testimony to our constant endeavour to bring thought leadership and use advanced digital enablers such as 'Tgo' analytics (a home-grown capability) in audit and risk management practices.

6. INTERNAL CONTROLS AND INTERNAL AUDIT

Our internal financial control framework is commensurate with the size and operations of the business and is in line with the 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.

Internal Audit (IA) at the Company is an independent and 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 processes, 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 home-grown and developed analytics platform, 'Tgo', and its mix of in-house domain specialists. IA activities for the new business were integrated within the Tata Consumer team. The IA team is working closely to extend the good IA practices to the IA teams for JV, associates, and subsidiaries to enhance the coverage and increase efficacy.

7. CYBERSECURITY

We have adopted the NIST Cyber Security Framework to provide effective and efficient risk management across the organization. We have taken various initiatives to identify and address potential security threats and ensure the safety of our IT systems and data.

SECURITY MEASURES:

To identify and understand assets and threat vectors, we have implemented various security measures such as assessing security defects and weaknesses and performing penetration testing on all IT assets. We have also conducted various other security assessments to reduce the chances of an attacker breaching our IT systems.

STRENGTHENED SECURITY OPERATIONS

We have solidified the managed Security Operations Centre (SOC) and aligned our policies and procedures with CERT-In guidelines and CERT-In playbooks for proactive monitoring, response, and recovery to any cybersecurity incidents that may occur.

CYBERSECURITY AWARENESS

We have prioritized creating and improving cybersecurity awareness by educating and training users about the latest threats, policies, and best practices for risk mitigation. This includes enforcing cyber policies, introducing phishing campaigns, conducting tailored security training and assessments, and publishing various security awareness mailers.

DATA SAFEGUARDS

We have ensured strong safeguards of data and information by monitoring, detecting, and preventing unauthorized privileged access to critical resources. We have also enforced security controls, policies on the usage of smartphones, tablets, and other endpoints and prevents potential data breaches and ex-filtration transmissions. These measures provide better visibility and control over data usage within the organization.

Our adoption of the NIST Cyber Security Framework and various initiatives for risk management have significantly contributed to the protection of our

data and IT systems. Our focus on cybersecurity awareness and data safeguards has also helped us to minimize potential security threats and ensure business continuity.

8. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

We have over 3,500 full-time employees across our branded businesses. As we embark on our next growth journey to become a full-scale FMCG organization, our people strategy has also evolved and centred around the following key themes:

ROBUST REWARDS AND PERFORMANCE FRAMEWORK

We have a robust total rewards framework focused on ensuring competitive compensation based on affordability and benchmarked to best-in-class FMCG companies. We undertake continuous review of our compensation structure to ensure focus on pay for performance and industry alignment. Our short-term incentive plan rewards employees on organizational, functional and individual performance while our long term incentive plan enables us to align leadership rewards to the Company strategy and 3-year business objectives. Our sales incentive program is reviewed year on year to align with the larger sales strategy.

We have a strong performance management structure to ensure objective goal setting based on the Balanced Scorecard methodology. We conduct mid-year performance check-ins and evaluate performance based on outcomes delivered rather than the effort involved. Based on performance review and assessment, we build a greater focus on continuous learning and enhancing employee engagement. Continuous assessment of our performance management process and learning and development initiatives enables us to stay aligned to our growth objectives and build a future-ready organization.

MANAGING TALENT

In line with our overall talent strategy to create and sustain a future-ready, high-performing talent pool, we continue to assess and develop our employees' capabilities across levels and geographies. We continue to invest in our talent by providing them bespoke learning opportunities, access to mentoring / coaching, business projects and continue to mobilize them into critical roles.

We have accelerated investment in employee capability building. We onboarded LinkedIn learning towards empowering employees to develop themselves at their own pace and place. We have revamped our Manager Capability Development Program, called 'SOAR' to encompass elements of mentoring, simulation and workshops. We concluded Project Elevate, an instructor-led bespoke learning intervention (covering attributes that were identified as a business need - 'Digital Transformation', 'Collaboration for New Product Launches', 'Problem Solving', and 'Commercial Acumen'. We invested in functional training programmes to build a future ready and resilient organization.

ENGAGEMENT

In March, we conducted our bi-annual 'Interactions' engagement survey, which received a 92% response rate. To build focus on manager level actions for improving engagement, manager linked questions were enmeshed with people commitment goals of managers. Although our overall engagement index remained constant at previous levels, we intend to develop targeted action plans at both the organizational and managerial levels to enhance engagement.

SAFETY

As Covid-19 receded this year, fully vaccinated employees came back to the office in a calibrated manner and office operations were reinstated. We continue to monitor the Covid-19 situation across locations and provide inputs / guidance from time to time in accordance with the government directives. At our manufacturing units and offices, all safety protocols were reinforced to ensure a safe and secure working environment. We conduct periodic internal and external audits to ensure safety standards across the organization. Our continued focus on periodic risk reviews, safety trainings, mock drills, safety walks ensures a robust safety culture in the organization. Our well-being programme BEAM (Balanced, Energetic, and Mindful), which prioritizes the physical, emotional, and financial well- being of our employees, has added advantage. There were multiple counselling sessions and webinars conducted throughout the year on physical activities and yoga for our employees.

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 awards - Sparkle and Gratitude Tree; recognition from the leadership for exceptional performance - Great Job café; accolades for values displayed – Shine. We have also launched our annual awards programme - Hall of Fame crafted to recognize and appreciate teams who have collaborated to deliver high impact work, thus contributing to our overall growth story.

INDUSTRIAL RELATIONS

Throughout the year, the Industrial Relations scenario was peaceful, and we continuously addressed union grievances. We successfully concluded the closure of two LTS (Long Term Settlement) at the Paonta Water Factory in Himachal Pradesh and the Tetley Factory in Kochi.

We have over the year and in a phased manner, rolled out a Rewards & Recognition programme for workmen 'Prasansaniya' at Munnar, Paonta and Tetley. The programme is showing early positive impacts, which now needs to be nurtured.

The Employees Relation Team also conducted training programmes to build capabilities among operational and administrative personnel. We plan to expand these programmes to reach a broader audience in the future.

The number of permanent employees on the rolls of the Company as on March 31, 2023, was 3040 employees.

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 a significant difference to our operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, any epidemic or pandemic, and natural calamities over which we do not have any direct/indirect control.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance refers to the set of principles, values, and processes that guide the management and board of a company. It is essential for the long-term success of a business, as it ensures accountability, transparency, and ethical decision-making. The foundation of a successful enterprise is built on excellent corporate governance practices, and strong leadership is vital to this end.

We, at Tata Consumer Products, feel proud to be part of Tata Group, founded by Indian pioneer industrialist Mr. Jamshedji Tata and the Company adhered to the values and ideals articulated by the Founder. The Company's approach to corporate governance is based on a legacy of fair, ethical, and transparent practices. Many of these practices were in place even before they were mandated, demonstrating the Company's commitment to adopting the highest standards of professionalism, honesty, integrity, and ethical behavior. 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's philosophy on Corporate Governance ensures transparency in its affairs and the functioning of the Management and the Board and accountability toward its stakeholders. It also encompasses the oversight of business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company recognizes that corporate governance is not just a principle to be followed but a way of life embedded in its behavior and culture. It endeavors to adopt the industry's best practices, focusing on transparency in its affairs, the functioning of the Management and Board, and accountability towards stakeholders. The Company's philosophy ensures that it creates sustainable value for shareholders while fulfilling social obligations and complying with regulatory requirements.

The Company's policies prioritize the augmentation of long-term shareholder value while maintaining integrity.

The Company's dealings with its stakeholders are guided by recognized standards of propriety, fair play, and justice. The Company's approach to corporate governance includes creating a culture of openness, establishing a system that encourages employees to voice their concerns openly and without fear or inhibition. Corporate governance of the Company is further strengthened through the Tata Code of Conduct, the Tata Business Excellence Model, the Company's Code of Conduct for Prevention of Insider Trading, and the Code of Corporate Disclosure Policies. The Company also has in place an Information Security Policy that ensures proper utilization of IT resources.

As a global organization, the Company's corporate governance practices are commensurate with international standards and best practices. As a responsible corporate citizen, the Company encourages and recognizes employee participation and volunteering in environmental and social initiatives that contribute to organizational sustainability. These actions have become an integral part of the Company's operating plans and are not meant for image-building or publicity.

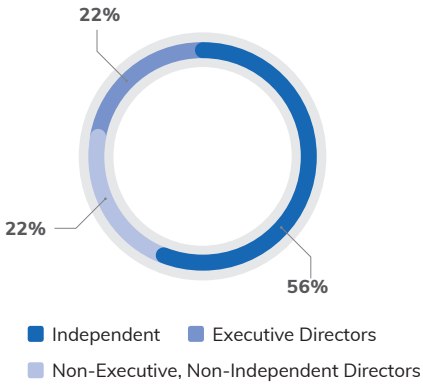
The Company has complied with requirements of Corporate Governance set forth in Regulation 17 to 27, as well as Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable.

BOARD OF DIRECTORS AND GOVERNANCE FRAMEWORK

COMPOSITION AND SIZE OF THE BOARD

As on March 31, 2023, the Board consists of 9 Directors comprising of 5 Independent Directors, 2 Non-Executive (Non-Independent) Directors and 2 Executive Directors. 78% of the Board is represented by Non-Executive Directors and 22% by Executive Directors. Further, Independent Directors which include a Woman Director constitute 56% strength of the Board. Details of appointments /re-appointments of Directors during the financial year 2022-23 are provided in Board's Report.

COMPOSITION OF BOARD



The Chairman of the Board is a Non-Executive Director related to the Promoter but not related to the Managing Director & Chief Executive Officer ('MD&CEO') of the Company. A clear distinction exists between the roles and duties of the Chairman and those of the Managing Director & CEO.

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Act. Details of Directors such as education, nationality, date of appointment and shareholding held in the Company as on March 31, 2023, as under:

Name and DIN	Category & Designation	Education Qualification	Nationality	Date of first appointment on the Board	Shareholding in the Company
N. Chandrasekaran (00121863)	Chairman Non-Executive, Non-Independent Director	Bachelor's degree in Applied Science and Master's degree in Computer Applications from Regional Engineering College, Trichy	Indian	July 3, 2017	100,000
K. P. Krishnan (01099097)	Independent Director	Economics at St. Stephens College and Law, University of Delhi and Ph.D in Economics from IIM Bangalore	Indian	Oct 22, 2021	-
Siraj Chaudhry (00161853)	Independent Director	B.Com (Hons.) from Delhi University, Masters in International Business from Indian Institute of Foreign Trade	Indian	July 3, 2017	-
Bharat Puri (02173566)	Independent Director	Graduate in Commerce from Punjab University and post-graduate diploma in Management (MBA) from IIM, Ahmedabad.	Indian	May 7, 2019	-
Shikha Sharma (00043265)	Independent Director	B.A (Hons.) in Economics, post-graduate diploma in Software Technology from National Center for Software Technology and Post Graduate Diploma in Management from IIM, Ahmedabad.	Indian	May 7, 2019	50,000
P. B. Balaji (02762983)	Non-Executive, Non-Independent Director	Post-graduate degree in management from IIM, Calcutta, and Graduate from Indian Institute of Technology, Chennai	Indian	Aug 8, 2020	285
David Crean (09584874)	Independent Director	Graduated with a BA (Hons) Degree in Applied Biology from Liverpool Polytechnic	British	May 4, 2022	-
Sunil D'Souza (07194259)	Managing Director & Chief Executive Officer	Degree in engineering from the University of Madras and is an alumnus of the Indian Institute of Management, Calcutta (IIM-C)	Indian	April 4, 2020	-
L. Krishnakumar (00423616)	Executive Director & Group Chief Financial Officer	B.Com, Chartered Accountant, Cost Accountant, and Company Secretary	Indian	April 1, 2013	228

DIVERSIFIED & EXPERIENCE BOARD

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 providing effective leadership to the business, uphold the corporate value, promote the ethical culture, endorse sustainability and leverages 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.

The Company's Board comprises highly experienced and competent individuals of notable integrity. They possess strong financial acumen, strategic astuteness, leadership qualities, and are committed to the Company, devoting sufficient time to meetings and preparation.

The Board periodically evaluates the need for change in its composition and size. The profile of the Directors is available on the Company's website at https://www.tataconsumer.com/about/leadership as well set out in the Integrated Annual Report.

None of the Directors of the Company are related to each other.

SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS

To operate effectively, the Board has identified key skills, expertise, and competencies that are relevant to the Company's business and sector. The following skills, expertise, and competencies have been recognized by the Board as fundamental to the Company's efficient operation:

Core Skill Area	Skills/expertise/competencies	Summary
Leadership	Business Leadership or Entrepreneurship	Experience as Entrepreneur/ Business Leader/ CEO/Industrialist, leading the operations of a significantly large organization with an understanding of the consumer, operations, sales & marketing, business processes, strategic planning, risk management, and governance.
Strategic	Business Strategies, Planning and M&A	Ability to provide strategic guidance to grow the FMCG business, ability to anticipate and interpret consumer trends, economic issues, macro-economic trends, and national policies. Visionary to give necessary guidance to the business with regards to key factors like market opportunities, competitive advantage, brand positioning, assessment of the Company's strengths and weaknesses, and contribute towards progressive refinement of the strategies for the fulfillment of its goals. Giving strategic guidance to the management regarding the organic and in-organic growth opportunities of business through synergies, acquisitions, corporate restructuring, and other business combinations to enhance the profitability and value for investors, competitively and in a sustainable manner.
Operational	FMCG Industry Expertise	A significant experience/expertise in FMCG and other Consumer Products businesses with an understanding of consumer, operations, procurement, supply chain, sales & marketing, business processes, strategic planning, etc.
	Global Business Exposure	Knowledge, experience, or meaningful exposure of the global business environment, economic conditions, cultures across various geographical markets, industry verticals, and regulatory jurisdictions, and a broad perspective on global market opportunities.
	Customer Insights, Marketing and Innovation	Understanding of customers/consumer, their behaviors, their preferences, and their needs & patterns. Ability to lead the strategies to grow sales and market share, build brand awareness and equity, enhance brand reputation, and to leverage consumer insights for business benefits. Ability and experience to leverage the innovation in products and categories in consumer space for growth and profitability and understanding of Research & Development activities.

Core Skill Area	Skills/expertise/competencies	Summary
	Digital and Information Technology	Ability to evaluate the impact of Digital / Information Technology across the value chain and understanding of emerging technologies. Ability to anticipate technological-driven changes & disruptions impacting the business and ability to oversee and provide guidance for cyber security and controls across the organization.
	Supply Chain & Commodity Management	Experience in management of multifaceted/ integrated supply chain operations, knowledge of emerging technologies in supply chain, anticipate and provide guidance to the management to face the challenges in order to minimize or prevent disruption in supply chain operations. Ability to analyse Commodity trends and to oversee and provide effective guidance for procurement and commodity risk management.
Governance	ESG Proficiency	Ability to guide in improving environmental, social and governance practices of the Company and evaluation of the Company's efforts towards social and environmental factors, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate sustainability initiatives and ethics and values.
Expert Knowledge	Financial Expertise	Expert knowledge of accounting, financial management, treasury and global financial reporting.
	Regulatory, Legal and Risk Management	Expert knowledge of Corporate Laws, Trade, Consumer related laws etc., high governance standards with an understanding of changing regulatory framework. Ability to understand the key risks impacting the businesses and operations including regulatory risk and to contribute towards risk mitigation and deployment of enterprise risk management.
Human Resources	People Management & Capacity building	Experience of developing talent, planning succession and driving changes towards long-term growth. Ability to understand the talent market and the Company's talent quotient so as to make changes in Company's talent strategies to attract, retain and nurture competitively superior talents.

Brief Profile of the Directors has been included in this Integrated Annual Report which provides valuable insight into the education, expertise, skills, and experience that each Director brings to the Board, thereby enhancing its diversity of perspective. The following details the Directors of the Company who possess skills, expertise, and competencies, identified by the Board:

Skills/expertise/competencies	N. Chandrasekaran	Bharat Puri	Shikha Sharma	Siraj Chaudhry	K.P. Krishnan	David Crean	P. B. Balaji	Sunil D'Souza	L. Krishnakumar
Business Leadership or Entrepreneurship	✓	✓	✓	✓		✓		✓	
Business Strategies, Planning and M&A	✓	✓	✓	✓	✓	✓	✓	✓	✓
FMCG Industry Expertise		✓		✓		✓	✓	✓	✓
Global Business Exposure	✓	✓	✓	✓	✓	✓	✓	✓	✓
Customer Insights, Marketing and Innovation	✓	✓	✓	✓	✓	✓	✓	✓	✓
Digital and Information Technology	✓	✓	✓	✓		✓	✓	✓	✓
Supply Chain & Commodity management	✓	✓		✓		✓	✓	✓	✓
ESG Proficiency	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial Expertise	✓	✓	✓	✓	✓		✓	✓	✓
Regulatory, Legal and Risk Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
People Management & Capacity building	✓	✓	✓	✓	✓	✓	✓	✓	✓

BOARD SKILL DISTRIBUTION (% WISE):



SELECTION AND APPOINTMENT OF NEW DIRECTORS

The Board of Directors, appointed by the shareholders of the Company, serves as the highest governing body responsible for overseeing the overall functioning of the Company. It provides strategic direction, leadership, and guidance to the Company's management and monitors its performance with the objective of creating long-term value for the Company's stakeholders.

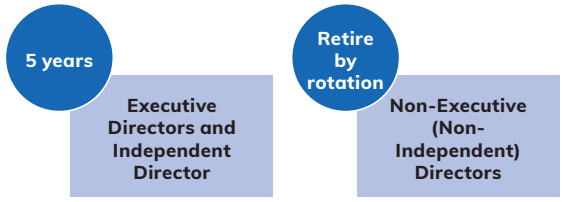
The Nomination and Remuneration Committee of the Board ("NRC") is entrusted with the responsibility for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects an in-depth understanding of the Company, including its strategies, environment, operations, financial condition, and compliance requirements. The NRC advises the Board on the appointment and reappointment of Directors, and also conduct periodic gap analyses to refresh the Board and reviewing potential candidates' profiles to ensure they have the required competencies.

The NRC also undertakes reference and due diligence checks and meets potential candidates before making recommendations to the Board. The appointee is briefed on the specific requirements for the position, including expected expert knowledge. Once a suitable candidate is identified, the NRC recommends their appointment to the Board for approval. Upon receiving the NRC's recommendation, the Board considers and appoints the individual as an additional director and proposes the appointment to the shareholders for their approval.

PROCESS OF APPOINTMENT OF A DIRECTOR



Each Director of the Company is appointment with the approval of the Board and Shareholders. All directors seek periodic re-appointment by the shareholders, none of the Director has perpetual office. Periodicity of re-appointment of directors is as under:



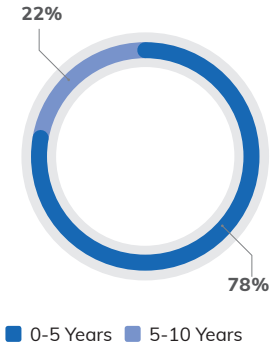
TERM OF BOARD MEMBERSHIP

The primary focus of the Company's governance guidelines pertains to the composition and duties of the Board, Chairman, and Directors, as well as Board diversity and Committees.

Additionally, in accordance with the Company's policy on Director retirement, Managing/ Executive Directors are required to retire at 65 years of age, while Non-Executive (Non-Independent) Directors must retire at 70 years and Non-Executive, Independent Directors at 75 years.

As of March 31, 2023, the Board is comprised of highly experienced and reputable individuals, and all Directors have served for 10 years or less.

TENURE OF DIRECTORS



BOARD MEETINGS

During the review period, the Board met five times, with meetings held on May 4, 2022, August 10, 2022, October 20, 2022, February 2, 2023, and March 29, 2023. The maximum duration between two consecutive meetings was less than 120 days. To ensure well-informed decision-making, the agenda and related documents were distributed to the Directors in advance. The minutes of all Board and Committee meetings were also circulated to all Directors, with comments taken into account before finalization. The Board convenes at least once every quarter to evaluate the Company's financial results and performance. In urgent situations, resolutions may be passed via circulation in accordance with applicable laws, and these are then confirmed during the subsequent Board meeting.

INFORMATION FLOW TO THE BOARD

The Management provides the Board with additional information beyond what is required by regulation, which enables informed decision-making and contributes to the Company's growth. The Managing Director & CEO, Executive Director & Group CFO, and Chief Operating Officer are responsible for day-to-day management and are supported by the Executive Committee. The Board periodically reviews updates on projects, potential acquisitions, corporate restructuring plans, strategic plans, performance, risk management, and other key areas impacting the business, and also on organization talent and culture and succession planning for critical roles including senior management. Information is provided continuously for review and approval, including strategic and operating plans, financial statements, appointments in senior management and directors, audits, legal and compliance matters and regulatory updates. Follow-up and reporting occur after meetings. A formal system for follow-up, review, and reporting on actions taken by management on board decisions is in place.

The Board Members are provided with continuous information about the Company's operations for their review, input, and approval. This includes presenting our annual strategic plan, Budget and mid-term plan to the Board. The Management also present various matters such as appointment of Directors and Key Managerial Personnel, corporate actions and updates, review of internal and statutory audits, details of investor grievances, specific cases of acquisitions and business integrations, important managerial decisions, material positive/negative developments, risk management initiatives including cyber security along with mitigation actions and legal/statutory matters to the respective Committees of the Board. These matters are later presented to the Board of Directors for approval, as may be required.

ATTENDANCE OF DIRECTORS DURING FY 2022-23

Details of attendance of the Directors at the Meetings of Board and Shareholders held during FY 2022-23:

Name of the Director	Board Meetings attended	% of attendance	Annual General Meeting held on June 27, 2022	NCLT – Convened meeting held on November 12, 2022
N. Chandrasekaran	5 out of 5	100%	Yes	No
K. P. Krishnan	5 out of 5	100%	Yes	Yes
Siraj Chaudhry	5 out of 5	100%	Yes	Yes
Bharat Puri	4 out of 5	80%	Yes	Yes
Shikha Sharma	4 out of 5	80%	No	Yes
P. B. Balaji	5 out of 5	100%	Yes	Yes
David Crean**	4 out of 4	100%	Yes	Yes
Sunil D'Souza	5 out of 5	100%	Yes	Yes
L. Krishnakumar	5 out of 5	100%	Yes	Yes

** Non-attendance of Directors was on account of their pre-occupations*

*** David Crean was appointed as an Independent Director w.e.f. May 4, 2022, and during his tenure 4 Board meetings were held.*

OTHER DIRECTORSHIP & COMMITTEE POSITION AS ON MARCH 31, 2023:

Details of other 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 indicating the category of such directorship as on March 31, 2023, are as under:

Name of the Director	No. of directorship in other Indian Public Companies*		No. of Board Committee positions in other Indian Public Companies**		Directorship in other equity listed companies along with category***
	Chairperson	Member	Chairperson	Member	
N. Chandrasekaran	7	7	Nil	Nil	**Non-Executive, Non- Independent Director of:** - Tata Chemicals Limited - Tata Consultancy Service Limited - Tata Motors Limited - Tata Steel Limited - The Indian Hotels Company Limited - The Tata Power Company Limited
K. P. Krishnan	Nil	1	Nil	1	**Independent Director of:** Dr. Reddy's Laboratories Limited
Siraj Chaudhry	1	6	1	6	**Independent Director of:** - Tata Coffee Limited - Dhanuka Agritech Limited - Jubilant Ingrevia Limited - Bikaji Foods International Limited
Bharat Puri	Nil	1	Nil	Nil	**Managing Director of:** - Pidilite Industries Limited
Shikha Sharma	Nil	4	Nil	2	**Independent Director of:** - Dr. Reddy's Laboratories Limited - Mahindra and Mahindra Limited - Tech Mahindra Limited **Non-Executive, Non-Independent Director of:** - Piramal Enterprises Limited
P. B. Balaji	Nil	6	Nil	5	Nil
David Crean	Nil	Nil	Nil	Nil	Nil
Sunil D'Souza	Nil	2	Nil	Nil	**Non-Executive, Non-Independent Director** - Tata Coffee Limited
L. Krishnakumar	Nil	2	1	1	Nil

*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, deemed public companies, foreign companies, and companies under Section 8 of the Companies Act, 2013, have been excluded. **Further membership includes positions as Chairperson of the Board.**

In terms of Regulation 26(1)(b) of the Listing Regulations, the disclosure includes chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee in other Indian Public companies (listed and unlisted).* **Further, membership includes positions as Chairperson of Committee.

****Regulation 17A of the Listing Regulations provides for the inclusion of only equity listed entities for reckoning the directorship in the listed entity, hence directorships held in debt listed entities have not been considered for reporting as above.*

As per declarations received from the Directors:

a) 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.

b) None of the Directors holds directorship in more than ten public companies and in more than seven listed companies, across the directorships held including that in the Company.

c) Managing Director/Executive Directors of the Company do not serve as independent director of any listed company.

DECLARATIONS OF INDEPENDENCE

Independent Directors of the Company are non-executive directors as defined under Regulation 16(1)(b) of 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 that 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 has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act and that they are independent of the management.

FAMILIARISATION AND INDUCTION PROGRAM FOR DIRECTORS INCLUDING INDEPENDENT DIRECTORS

The Company has an orientation process/familiarization program for its directors (including Independent Directors), which includes sessions on various business and functional matters, and strategy sessions. The Company ensures induction and training programs are conducted for newly appointed Directors. New Independent Directors are taken through a detailed induction and familiarization program, including briefing on their role, responsibilities, duties, and obligations, the nature of the business and business model, matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc.

The details of the familiarization and training programs attended by Independent Directors are available on the Company's website.

In the fiscal year 2022-23, Independent Directors were educated on various aspects of the Company's business and operations. The specifics of the familiarization programs provided to the Independent Directors are available on the Company's website, and can be accessed at https://www.tataconsumer.com/corporate-governance/compliances-and-filings.

ROLE OF INDEPENDENT DIRECTOR AND THEIR TERMS AND CONDITIONS OF APPOINTMENT

The Independent Directors are essential in the Board's decision-making process, bringing with them a diverse range of experience, expertise, and knowledge to oversee the Company's performance and overall strategy. Their unbiased and focused insights are invaluable. They are committed and devote sufficient time to the Company. This policy on appointment and removal of Directors, which can be accessed at https://www.tataconsumer.com/investors/policies, incorporates the NRC's criteria for determining independence of directors, as well as the role and capabilities required for independent directors.

Upon appointment, the Company issues formal letters to all Independent Directors outlining their roles, responsibilities, code of conduct, functions, and duties. The terms and conditions of their appointment have been made available on the Company's website and can be accessed at https://www.tataconsumer.com/corporate-governance/compliances-and-filings.

MEETINGS OF INDEPENDENT DIRECTORS

In compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act, a separate meeting of Independent Directors was convened on March 13, 2023 for FY 2022-23. The meeting was chaired by Ms. Shikha Sharma and was held without the presence of Non-Independent Directors and members of the management. The objective of the meeting was to review the performance of Non-Independent Directors and the Board as a whole, assess the performance of the Chairman of the Company, and evaluate the quality, quantity, and timeliness of the flow of information between the Company management and the Board. The Independent Directors discussed matters pertaining to the Company's affairs and presented their collective views to the Board of Directors.

SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT

The Company has a robust system in place to ensure smooth transitions in leadership, including for our Directors, Executive Directors, Senior Management Team, and other critical talents and key roles. Beside

succession planning of the Board, the NRC also reviews and oversees succession planning of senior management positions. Additionally, the Company regularly reviews talents for senior management and other executive officers. This process provides a comprehensive overview of our leadership-level talent inventory and capabilities, ensuring that we meet our critical talent needs in alignment with our business drivers.

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 of Directors periodically review the status of the compliances with the applicable laws.

CODE OF CONDUCT

The Tata Code of Conduct (TCoC) is a comprehensive written guideline that applies to all employees, including the Managing Director & CEO and the Executive Director & Group CFO.

The Company has implemented various policies to reinforce governance practices, such as the Anti-Bribery and Anti-Corruption Policy, Anti-Money Laundering Policy, Gifts and Hospitality Policy, Whistleblower Policy, and Prevention of Sexual Harassment Policy. The Company has a "Zero Tolerance" policy for any form of ethical violation and stresses the importance of workplace integrity, ethical personal conduct, diversity, fairness, and respect, among other things. TCoC and abovementioned policies are available on the website of the Company and can be accessed at https://www.tataconsumer.com/investors/policies

The Board has adopted a separate Code of Conduct for Non-Executive Directors, which includes the Code of Conduct for Independent Directors, incorporating their responsibilities as stated in the Act. The Code of Conduct for Non-Executive Directors have been published on the Company's website and can be accessed at https://www.tataconsumer.com/corporate-governance/compliances-and-filings.

For the fiscal year 2022-2023, all Board members and Senior Management personnel have confirmed compliance with the relevant codes, and a declaration signed by the Managing Director and CEO has been appended as **Annexure 1** to this report.

BOARD EVALUATION

The board evaluation is an essential part of the Company's commitment to good corporate governance. By conducting an annual evaluation of its Board, Committees, and individual members, the Company demonstrates its commitment to transparency, accountability, and effective governance. It enables the Board to identify areas where it can improve its performance and ensures that the Company's governance practices remain in line with best practices.

The Company's Corporate Governance Guidelines require an annual evaluation of all Board Members and the functioning of the Board and its mandatory Committees. These mandatory Committees includes the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility & Sustainability Committee, and Risk Management Committee. The purpose of the evaluation is to assess the performance of the Board, and its committees and identify areas for improvement.

During the financial year 2022-23, the Board, its committees, and individual directors, including the Chairman, underwent a comprehensive performance evaluation.

PROCESS OF EVALUATION

To evaluate the performance of the Board, its committees, and individual directors, the Nomination and Remuneration Committee led an internal evaluation process in accordance with the Act, Listing Regulations, and the Corporate Governance Guidelines of the Company. To facilitate the evaluation process, questionnaire was developed based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India (SEBI) on January 5, 2017 and sent to all Directors to solicit feedback on the functioning of the Board and the Committees of which they were a member or Chairperson as well as self-assessment by individual directors including Chairperson.

To ensure confidentiality, the evaluation process was undertaken through a Board application for evaluation, managed by an independent agency. The responses received from the Board members were compiled by the independent agency and a consolidated report was submitted to the Chairman of the NRC and the Chairman of the Board. The consolidated responses were also presented at a meeting of the Independent Directors, the Nomination and Remuneration Committee, and the Board for evaluation.

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 including preparedness on the issues to be discussed, meaningful and constructive contributions 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. The performance evaluation of Independent Directors was done by the entire Board, excluding the independent director being evaluated.

EVALUATION OF THE BOARD

The Nomination and Remuneration Committee took the lead in evaluating the performance and effective functioning of the Board. The evaluation process was designed to assess the Board's overall performance and included the use of a questionnaire to gather feedback from all directors based on qualitative parameters and ratings.

The evaluation process was comprehensive and covered various aspects such as the effectiveness of board meetings, the composition and role of the Board, its functioning (including strategy and performance evaluation), governance and compliance, evaluation of risks, conflicts of interest, corporate culture and ethics, evaluation of performance of the management and feedback, independence of the management from the Board, functioning of Board Committees. The Board's effectiveness was evaluated under different parameters to ensure that it was functioning optimally. The evaluation covered various aspects such as the Board's composition and diversity, its competency, and the effectiveness of its structure. The effectiveness of the Board's meetings was also assessed to ensure that they were productive and efficient. Furthermore, the evaluation process assessed the role and composition of the Board, its functioning in terms of strategy and performance evaluation, governance and compliance, risk management, conflicts of interest, corporate culture and ethics, and the evaluation of the management's performance and feedback.

EVALUATION OF THE COMMITTEES

The Board undertook an evaluation of its' Committees to assess their effectiveness in fulfilling their obligations. The evaluation process was conducted using a questionnaire that gathered feedback based on qualitative parameters and ratings. The criteria used to evaluate the Committees included the independence and effectiveness of each Committee, the structure of the Committee and its meetings, the time allocated for discussions at meetings, the functioning of Board Committees, and their contribution to the decisions made by the Board. The evaluation process was important to ensure that the Committees were functioning optimally and contributing effectively to the overall governance of the Company. The independence and effectiveness of each Committee were evaluated to determine whether they were able to carry out their responsibilities without undue influence. The evaluation process provided valuable insights into the Committees' effectiveness and identified areas for improvement.

EVALUATION OF DIRECTORS (INCLUDING CHAIRPERSON OF THE BOARD)

The Company conducted a thorough evaluation of its directors, including the Chairperson of the Board, to assess their performance against several criteria. These criteria included the Directors' knowledge and competency, their fulfillment of functions, their guidance and support to management outside of Board and Committee meetings, their degree of fulfillment of key responsibilities, the effectiveness of meetings, their participation and contribution in Board and Committee meetings, and their integrity and independence.

The evaluation process was conducted separately for Independent Directors and Non-Independent Directors. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Directors being evaluated. This ensured an unbiased evaluation of their performance. On the other hand, the performance evaluation of the Chairperson and Non-Independent Directors was carried out by the Independent Directors.

The evaluation process was critical to ensuring that the Directors were performing their duties effectively and contributing to the overall success of the Company. By evaluating the Directors against several criteria, the Company was able to identify areas for improvement and provide feedback to help them enhance their performance.

FEEDBACK AND ACTION

During the year, the Company had also actioned the feedback from the Board evaluation process conducted in FY 2021-22. The Board, Board Committees and the Independent Directors discussed the evaluation report and various suggestions received in the evaluation process in FY 2022-23 and agreed on an action plan.

OUTCOME THE BOARD EVALUATION FOR THE FINANCIAL YEAR 2022-23

The Board had a well-balanced composition and had received positive feedback on their effectiveness in all key aspects. Directors were satisfied with the agenda notes and discussions at meetings, as well as the management's receptiveness to suggestions and feedback from the Board and Committees. It was advised that the Board would spend more time on strategic matters, with periodic updates on management's strategies and business integrations.

REMUNERATION OF DIRECTORS AND OTHERS

REMUNERATION POLICY

Based on the recommendation of NRC, the Board has formulated a comprehensive Remuneration Policy for its Directors, Key Managerial Personnel (KMPs), Senior Management, and other employees. The philosophy behind this policy is to create a culture of leadership and trust. This policy is in accordance with Section 178 of the Act and Regulation 19 of Listing Regulations and is available on the Company's website at www.tataconsumer.com/investors/policies.

Under this policy, the Managing Director, Executive Director, KMPs, other Senior Management personnel and all employees are compensated with a fixed salary that includes basic pay, allowances, perquisites, and other benefits. They may also receive annual incentive remuneration, performance-linked incentive, share-based employee benefits, or performance-based shares/units, based on specific performance criteria and other appropriate parameters determined by the NRC and the Board. The performance-linked incentive is dependent on the outcome of the performance appraisal process and the Company's overall performance, and may be paid in the form of cash component (short-term incentive) and long-term performance shares units (long-term incentives).

The Company's remuneration policy takes into account various factors, including the Company's performance throughout the year, and achievement of budgeted targets, growth & diversification, remuneration in other companies of comparable size and complexity, etc.

REMUNERATION DETAILS OF EXECUTIVE DIRECTORS

The Company has introduced a Share-based Long-Term Incentive Scheme in FY 2021-22 to incentivize long-term objectives and retain high-performing employees. The Scheme grants Performance Share Units (PSUs) as a long-term incentive component of remuneration to eligible employees, including the Managing Director & CEO, KMPs, Senior Management, and selected employees based on their role. The number of PSUs granted is determined by dividing the Long-Term Incentive Pay amount awarded to Eligible Employees by the Market Price of the Company's Shares. The Vesting period for the granted PSUs under the Scheme is at least one year, subject to the employee's continued employment with the Company or any other Tata group Company.

The number of PSUs that would vest with the Participants would be determined by the NRC based on the Company's performance on certain performance metrices (such as Sales Growth, RoCE and Free Cash Flows) in 3 preceding financial years as per the Company's Audited Consolidated Annual Financial Results or such other performance metrices as may be determined by the NRC from time to time. The NRC would determine the said metrices, detailed terms and conditions relating to such vesting including the proportion in which PSUs granted would vest. At the time of vesting, NRC may adjust the number of PSUs already granted by +/-20% for the quality of results achieved by the Company, provided that the number of PSUs vested will not exceed 120% of PSUs granted to any Eligible Employee.

All the PSUs would vest, based on the Company's performance, within a period of 3 years from the date of Grant of such PSUs (for example, the grants made in 2021 shall vest in 2024, grants made in 2022 shall vest in 2025 and so on and so forth) where after the Participants would have the right to subscribe to the Shares during the Exercise Period.

Accordingly, remuneration of Managing Director & CEO of the Company includes the Fixed Pay (50%), short term incentive pay determined based on the performance of particular year in the form of a cash component (25%) and long-term incentive pay in form of grant of PSUs (25%).

During FY 2022-23, Managing Director & CEO of the Company was granted 27,530 PSUs and total cumulative PSUs granted till March 31, 2023, were 52,810 PSUs. PSUs so granted has been determined by dividing the Long-Term Incentive Pay amount awarded to Managing Director & CEO in FY 2021-22 and 2022-23 by the Market Price of the Company's Shares as provided in the Scheme. Such PUSs are yet to vest.

The Remuneration details of Managing / Executive Directors during FY 2022-23 are mentioned below:

₹ 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	650.78	306.25
Allowances and perquisites	272.84	105.64
Contribution to Retiral Funds	26.63	35.97
Total	**950.25**	**447.86**
Performance Share units (PSUs)- Granted (Nos)	27,530 PSUs	-
Term of Service Contract	5 years from April 4, 2020,	5 years from April 1, 2018
Notice period	6 months	6 months
Severance Fees	Not Applicable	Not Applicable

**With effect from FY 2021-22, long term incentive relating to the year is compensated through performance share units (PSUs) and accounted as remuneration over the vesting period of 3 years based on performance measures achieved.*

In addition, Mr. L. Krishnakumar drew remuneration (as a part of his Salary and Benefits) of ₹ 40.20 Lakhs during FY 2022-23 from an overseas subsidiary of the Company. The said remuneration was drawn in GBP and has been converted into INR at the average exchange rate.

REMUNERATION FOR INDEPENDENT DIRECTORS AND NON-INDEPENDENT, NON-EXECUTIVE DIRECTORS

Sitting Fees: The Non-Executive Directors, including Independent Directors, are paid sitting fees for attending the meetings of the Board and Committees of the Board. The Company pays a sitting fee of ₹ 30,000 per meeting per Director for attending meetings of the Board, Audit, Nomination and Remuneration and Executive Committees. For meetings of all other Committees of the Board, a sitting fee of ₹ 20,000 per meeting per Director is paid. The Company also paid sitting fees of ₹ 30,000 per meeting to the Independent Directors for attending the Independent Directors' meeting.

Profit related Commission: 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 or such other percentage as may be specified by the Act, from time to time. No Stock option has been granted to any Non-Executive 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.

The details of Commission and sitting fees paid / payable to Non-Executive Directors for FY 2022-23 are given below:

₹ In Lakhs

Name of Director	Category of Director	Commission# (relating to FY 2022-23	Sitting Fees
N. Chandrasekaran, (Chairman)	Non-Executive, Non-Independent Director	NA	2.70
P. B. Balaji	Non-Executive, Non-Independent Director	NA	1.50
K. P. Krishnan	Non-Executive, Independent Director	75	4.70
Shikha Sharma	Non-Executive, Independent Director	80	5.60
Bharat Puri	Non-Executive, Independent Director	80	4.70
Siraj Chaudhry	Non-Executive, Independent Director	75	5.70
David Crean	Non-Executive, Independent Director	50	2.40

 # The Commission to the Non-Executive Directors relates to FY 2022-23, which was approved by the Board on April 25, 2023 and would be paid in FY 2023-24 after Annual General Meeting. The Commission to the Non-Executive Directors relating to FY 2021-22 was paid during FY 2022-23.

TOTAL MANAGERIAL REMUNERATION

For financial year 2022-23, Executive Directors received remuneration amounting to 1.05% of the net profit of the Company, as per Section 198 of the Act, while Non-Executive Directors received 0.25% of the net profit. The remuneration paid to individual Executive Directors was less than 1% of the net profit. The overall managerial remuneration for all Directors was 1.29% of the net profit for FY 2022-23, which is within the limit specified under Section 197 of the Act.

PECUNIARY RELATIONSHIPS OR TRANSACTIONS

Throughout the reviewed year, the Company had no financial connections or dealings with any of its Non-Executive Directors except for payment of sitting fees, commission (if any), and reimbursement of expenses incurred by them for attending meetings, if any.

REMUNERATION DETAILS OF OTHER KEY MANAGERIAL

The remuneration details of paid to Chief Financial Officer and Company Secretary during FY 2022-23 are mentioned below:

₹ in Lakhs

Component	John Jacob, Chief Financial Officer (upto May 31, 2022)	Sivakumar Sivasankaran, Chief Financial Officer (w.e.f. June 1, 2022)*	Neelabja Chakrabarty, Company Secretary*
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	28.22	110.10	90.74
Allowances and perquisites	5.96	19.17	17.57
Contribution to Retiral Funds	3.16	10.16	4.92
Total	**37.34**	**139.43**	**113.23**
Performance Share units (PSUs)- Granted (Nos)	-	2,170	1,580

**With effect from FY 2021-22, long term incentive relating to the year is compensated through performance share units (PSUs) and accounted as remuneration over the vesting period of 3 years based on performance measures achieved.*

BOARD COMMITTEES

As required under the applicable laws, the Board delegated certain functions to its various committees that are established for that purpose. These committees conduct detailed reviews of the items under their purview before presenting them to the Board for consideration. The committees appointed by the Board are dedicated to specific areas and have the delegated authority to make informed decisions within their respective scopes. The committees operate under the direct supervision of the Board. Generally, committee meetings are held before the Board meeting, and the chairperson of each committee reports to the Board about the deliberations and decisions taken by the committees. They also provide specific recommendations to the Board on matters within their purview. All decisions and recommendations made by the committees are presented to the Board for either approval or information. During the year under review, all recommendations made by the committees has been accepted by the Board.

The Board has established several statutory committees in accordance with the Act and the Listing Regulations, which include:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility & Sustainability Committee

In addition, the Board has formed an Executive Committee to review specific operational matters. The Board may also delegate power to committees of directors for specific purposes as needed, such as disinvestment of non-strategic investments, matters related to the Scheme of Arrangement, and preferential issue of shares.

AUDIT COMMITTEE

The Board has established a qualified and independent Audit Committee in accordance with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. The Committee's Charter is available on the Company's website at the following link: https://www.tataconsumer.com/about/leadership.

a. Brief description of terms of reference

The Audit Committee shall *inter-alia* discharge the following responsibilities:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient, and creditable

- Evaluation of internal financial controls and risk management systems
- Ensuring the continued independence of the External Audit and Internal Audit
- Oversee the statutory audit process and the internal audit function
- Oversight of function of Whistleblowing/ vigil mechanism:
- Review compliance with regulatory requirements and policies
- Approving Related Party Transactions (RPTs) and material modifications to the RPTs
- Monitoring compliance with Insider Trading Regulations
- Oversee financial reporting controls and processes for material subsidiaries
- Oversee compliance with legal and regulatory requirements including the Tata Code of Conduct and other policies on Business Ethics for the Company and its material subsidiaries
- Recommendation of the Policy on Related Party Transactions
- Performing such other duties and responsibilities as may be consistent with the provisions of the Audit Committee charter.

b. Composition of the Committee, attendance of members at the meetings, and other details

As of March 31, 2023, the Committee consisted of 4 (four) Independent Directors. The members of the Audit Committee have relevant experience in financial matters as well as have accounting or related financial management expertise and are considered financially literate as defined in Regulation 18(1)(c) of the Listing Regulations. The Chairman of the Audit Committee is an Independent Director and has expert knowledge in accounts & finance, banking, corporate laws, and governance matters. The Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on June 27, 2022, to answer the queries of the shareholders.

During the year under review, the Audit Committee met 5 (five) times on May 3, 2022, August 9, 2022, October 19, 2022, February 2, 2023, and March 13, 2023. 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 (including changes during the year) and particulars of attendance by the members at the meetings of the Committee held in FY 2022-23 are given below:

Name	Category of Director	Number of Meetings Attended	% of attendance
K. P. Krishnan (Chairman)	Non- Executive, Independent Director	5 out of 5	100%
Shikha Sharma	Non- Executive, Independent Director	5 out of 5	100%
Bharat Puri	Non- Executive, Independent Director	4 out of 5	80%
Siraj Chaudhry	Non- Executive, Independent Director	5 out of 5	100%

Note: Mr. David Crean, Non- Executive, Independent Director has been inducted as member of the Committee w.e.f. April 1, 2023.

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.

NOMINATION AND REMUNERATION COMMITTEE

In accordance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Company has formed its Nomination and Remuneration Committee (NRC), composition and terms of reference of which are in conformity with the said provisions. The Charter of the Committee can be accessed on the Company's website at the link - https://www.tataconsumer.com/about/leadership. NRC also act as Compensation Committee as required under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

a. Brief description of terms of reference

The Nomination and Remuneration Committee shall *inter-alia* discharge the following responsibilities:

- Periodical review and refresh of the composition of the Board with the objective of ensuring that there is an optimum balance of size, skills, independence, knowledge, diversity and experience.

- Support the Board in identification, selection, appointment/ reappointment, induction and development of Directors (including Independent Directors) to meet the needs of the Company.
- Devise a policy on Board Diversity.
- Support the Board in appointment of Senior Management and key managerial personnel of the Company including the terms of appointment.
- Periodic review and recommendation of the remuneration of the Senior Management and key managerial personnel of the Company
- Oversight of the HR philosophy, HR budget, HR strategy, talent management and succession planning for Board, Senior Management and key managerial personnel.
- Support the Board in setting, reviewing and monitoring the performance standards and targets for the Managing Director & CEO, Executive Directors and Senior Management/ Key Managerial Personnel of the Company.
- Support the Board in evaluation of the performance of the Board, its Committees and Directors.
- Recommendation of the remuneration policy for Directors, Senior Management/ Key Managerial Personnel as well as the rest of the employees.
- Oversee the implementation of share-based employee benefits Scheme as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and perform the function of overall administration and superintendence of the schemes.
- Performing such other duties and responsibilities as may be consistent with the provisions of this charter.

b. Composition of the Committee, attendance of members at the meetings and other details

As on March 31, 2023, the Nomination and Remuneration Committee consisted of 3 (three) Non-Executive Directors, of which 2 (two) Directors are Independent Directors. Ms. Shikha Sharma, Independent Director is the Chairperson of the Committee. While she could not attend the last Annual General Meeting of the Company held on June 27, 2022, other members of the Committee were present to answer the queries of the shareholders.

During the year under review, the Nomination and Remuneration Committee met 4 (four) times on May 4, 2022, August 10, 2022, October 20, 2022, and March 6, 2023.

The composition of the Committee (including changes during the year) and particulars of attendance by the members at the meetings of the Committee held in FY 2022-23 are given below:

Name	Category of Director	Number of Meetings Attended	% of attendance
Shikha Sharma (Chairperson)	Non- Executive, Independent Director	4 out of 4	100%
Bharat Puri	Non- Executive, Independent Director	4 out of 4	100%
N. Chandrasekaran	Non- Executive, Non- Independent Director	4 out of 4	100%

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.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Nominations and Remuneration Committee establishes the criteria for evaluating the performance of independent directors. The assessment covers various factors, such as the director's level of participation and contribution, commitment, effective utilization of knowledge and expertise, integrity, maintenance of confidentiality, as well as independence in behavior and decision-making.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

In accordance with the provisions of Section 178 of the Act, 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. The Charter of the Committee can be accessed on the Company's website at the link- https://www.tataconsumer.com/about/leadership

a. Brief description of terms of reference

The Stakeholders' Relationship Committee shall *inter-alia* discharge the following responsibilities:

- Reviewing the grievances handling process of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- Approve issue of duplicate share certificates either at meetings or through circular resolution.
- Frame guidelines for waiver of documents/ requirements prescribed in cases of Transmission of shares, Issue of duplicate share certificates and Recording of updation of signatures by shareholders.
- Review of measures taken for the effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 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.
- Such other matter as may be specified by the Board from time to time.
- Any other matter as prescribed by the Companies Act, 2013 & Rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 or such other Regulation prescribed by the SEBI from time to time.

b. Composition of the Committee, attendance of members at the meetings and other details

As on March 31, 2023, the Stakeholders Relationship Committee comprised of 3 (three) Directors comprising 1 (one) Independent and 2 (two) Executive Directors. Mr. Siraj Chaudhry, Independent Director is the Chairman of the Committee, and he attended the last Annual General Meeting of the Company held on June 27, 2022, to answer the queries of the shareholders.

During the year under review, the Committee met 4 (four) times, on April 29, 2022, August 9, 2022, October 19, 2022, and February 2, 2023.

The composition of the Stakeholders Relationship Committee (including changes during the year) and particulars of attendance by its members at the meetings of the Committee held in FY 2022-23 are given below:

Name	Category of Director	No. of meetings Attended	% of attendance
Siraj Chaudhary (Chairman)	Non-Executive, Independent	4 out of 4	100%
Sunil D'Souza	Managing Director & CEO	4 out of 4	100%
L. Krishnakumar	Executive Director & Group CFO	4 out of 4	100%

The minutes of the meetings of the Committee are placed before and noted by the Board. During the year, all recommendations of the Committee 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 2022-23 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	0
2.	No. of Investor Complaints received during the year under review	90
3.	No. of Investor Complaints disposed off during the year under review	86
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	4*

**As of March 31, 2023, there are four pending complaints received through the SCORE Platform of Registrar and Transfer Agent (RTA). The Action Taken Report for these complaints was submitted by RTA on SEBI Scores, but they are still pending with SEBI. The details of the complaints are as follows:*

One complaint was received on January 27, 2023, related to an old dispute case from 1999. The Action Taken Report was submitted by RTA on February 3, 2023, and further clarification was provided on February 23, 2023. However, the matter is still pending review by SEBI as of March 31, 2023.

Another complaint was received on February 7, 2023, regarding the transfer of shares. The Action Taken Report was uploaded on February 28, 2023, and it is still pending review by SEBI as of March 31, 2023.

Lastly, two complaints were received on March 21, 2023, and March 24, 2023, both related to the status of shares. The Action Taken Reports was uploaded on March 28, 2023, and those are still pending review by SEBI as of March 31, 2023.

(ii) Details of queries and requests received during the year under review:

Details of queries and requests	No. of queries and requests
Pending queries/requests at the beginning of the year	254
Queries/requests received during the year under review	8,722
Queries/requests attended and replied to during the year under review	8,607
Pending queries/requests at the end of the year	369

(iii) Analysis of response time for redressing investor correspondence, during the year under review is as under:

Sr. No.	Response time to Investor Complaints & Queries/Requests	FY 2022-23	
		Number	%
1.	Replied within 1 to 4 days of receipt	1,824	20.71
2.	Replied within 5 to 7 days of receipt	1,309	14.70
3.	Replied within 8 to 15 days of receipt	2,560	27.56
4.	Replied after 15 days of receipt	3,000	32.80
5.	Pending at the end of the year	373	4.23
	Total	**8,693**	**100.00**

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY COMMITTEE

In accordance with provisions of Section 135 of the Companies Act, 2013, the Board has formed the Corporate Social Responsibility (CSR) Committee named as Corporate Social Responsibility (CSR) & Sustainability Committee. The Composition and terms of reference of the committee are in conformity with the said provisions. The Charter of the Committee can be accessed on the Company's website at the link - https://www.tataconsumer.com/about/leadership.

a. Brief description of terms of reference

The CSR & Sustainability Committee shall *inter-alia* discharge the following responsibilities:

- Formulation of CSR Policy, identification & recommendation of the CSR Projects & CSR expenditure, oversight its implementation and review its impact.
- Providing guidance to the Company on environment management, social responsibilities, health & safety, product stewardship, community development, principles of managing branded operations, welfare activities in and around Munnar etc.
- Assist the management to formulate, implement and review policies, principles and practices, review partnerships and relationships to foster & support the sustainable growth of the Company
- Performing such other duties and responsibilities as may be consistent with the provisions of the Charter of the Committee

b. Composition of the Committee, attendance of members at the meetings and other details

As on March 31, 2023, the Committee consisted of 3 (three) Independent Directors. Mr. Siraj Chaudhry, Independent Director is the Chairman of the Committee, and he was present at the last Annual General Meeting of the Company held on July 27, 2022, to answer the queries of the shareholders.

During the year under review, the CSR & Sustainability Committee met 3 (three) times on April 29, 2022, October 19, 2022, and on March 13, 2023.

The composition of the Corporate Social Responsibility & Sustainability Committee (including changes during the year) and particulars of attendance by the members at the meetings of the Committee held in FY 2022-23 are given below:

Name	Category of Director	No. of meetings Attended	% of attendance
Siraj Chaudhry (Chairperson)	Non-Executive, Independent	3 out of 3	100%
Shikha Sharma	Non-Executive, Independent	3 out of 3	100%
K.P. Krishnan	Non-Executive, Independent	3 out of 3	100%

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.

CSR Annual 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.

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. The Charter of the Committee can be accessed on the Company's website at the link - https://www.tataconsumer.com/about/leadership.

a. Brief description of terms of reference

The Risk Management Committee shall *inter-alia* discharge the following responsibilities:

- Discuss with senior management, the adequacy of the Company's Enterprise Risk Management (ERM) function and provide oversight as may be needed
- Setting strategic plans and objectives for identification and evaluation of risks, risk management, risk philosophy and risk mitigation & minimization.
- Formulation of Risk Management Policy (covering internal and external risks, and business continuity plan) and monitor and oversee implementation thereof, including evaluating the adequacy of risk management systems;.
- Reviewing risk assessment of the Company annually and exercising oversight of various risks including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee. .
- Ensure that appropriate methodology, processes and systems are in place relating to identification and evaluation of all types of risks, namely, strategic, operational, legal and regulatory, Information systems and external risks that the Company / its subsidiaries is exposed to.

  Performing such other duties and responsibilities as may be consistent with the provisions of the Charter of the Committee.

b. Composition of the Performing such other duties and responsibilities as may be consistent with the provisions of the Charter of the Committee Committee, attendance of members at the meetings and other details

As on March 31, 2023, the Committee consisted of 4 (four) Independent Directors. Mr. Bharat Puri, Independent Director is the Chairman of the Committee and he attended the last Annual General Meeting of the Company held on June 27, 2022, to answer the queries of the shareholders.

During the year under review, the Risk Management Committee met 3 (three) times on August 8, 2022, December 7, 2022, and March 13, 2023. 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 the Senior Management team also make presentation to the Risk Management Committee, as and when required.

The composition of the Risk Management Committee including changes during the year and particulars of attendance by the members at the meetings held in FY 2022-2023 are given below:

Name	Category of Director	No. of meetings Attended	% of attendance
Bharat Puri (Chairman)	Non-Executive, Independent	3 out of 3	100%
Shikha Sharma	Non-Executive, Independent	3 out of 3	100%
Siraj Chaudhry	Non-Executive, Independent	3 out of 3	100%
David Crean (*inducted w.e.f August 10, 2022*)	Non-Executive, Independent	2 out of 2	100%

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.

EXECUTIVE COMMITTEES

The Board has constituted an Executive Committee to review and approve the routine day-to-day operational matters which does not require in-depth discussion by the Board and delegated the power to take further actions on the matters already approved by the Board and any other item that the Board may decide to delegate. The Committee meets on a need basis. The

matters mentioned above, as and when required, were reviewed by the Board from time to time.

During the year under review the Executive Committee met once on March 29, 2023.

The composition of the Executive Committee and particulars of attendance by the members at the meetings held in FY 2022-2023 are given below:

Name	Category of Director	No. of meetings Attended	% of attendance
Sunil D'Souza (Chairman)	Managing Director & CEO	1 out of 1	100%
L. Krishnakumar	Executive Director & Group CFO	1 out of 1	100%
Ajit Krishnakumar	Chief Operating Officer (Non-Board Member)	1 out of 1	100%

OTHER NON-MANDATORY, SPECIFIC PURPOSE COMMITTEES

The Board, from time to time, based on the necessity, has delegated certain operational power to committees of directors formed for specific purposes like disinvestment of non-strategic investment, matters relating to the Scheme of Arrangement, Preferential issue of shares, etc.

Such Committees are formed for specific purposes, which may be dissolved on future upon fulfillment of such purposes. During the year under review, following non-mandatory committee meetings were held:

- Scheme Implementation Committee
- Preferential Issue Committee
- Divestment Committee
- TBEM Assessment

GENERAL BODY MEETINGS

ANNUAL GENERAL MEETING

Information regarding the location/mode and timing of the Company's three most recent Annual General Meetings, as well as any special resolutions that were passed during those meetings.

Year	Venue/Mode	Date & Time	Special Resolution passed
2022	Through Video Conferencing or Other Audio-Visual Means (Deemed Venue: Registered Office of the Company situated at 1, Bishop Lefroy Road, Kolkata – 700 020)	June 27, 2022, at 10:30 am	1. Re-Appointment of Mr. Siraj Chaudhry (DIN 00161853) as an Independent Director of the Company for the second term of 5 years 2. Appointment of Mr. David Crean (DIN 09584874) as a Non-Executive, Independent Director of the Company 3. Approval for maintaining the Registers and Indexes of Members and copies of Annual Returns at the Registered Office of the Company and/or the Registrar and Transfer Agent of the Company
2021	Through Video Conferencing or Other Audio-Visual Means (Deemed Venue: Registered Office of the Company situated at 1, Bishop Lefroy Road, Kolkata – 700 020)	June 25, 2021, at 10:30 am	None
2020	Through Video Conferencing or Other Audio-Visual Means (Deemed Venue: Media Room, TCS House, Raveline Street, Fort, Mumbai-400001	July 6, 2020 at 10:30 am	None

Postal ballot

Details of special resolutions passed through postal ballot during FY 2022-23:

The Company sought the approval of its shareholders on a specific matter through a Special Resolution by postal ballot by utilizing a remote e-voting process only. The notice of this postal ballot, dated March 30, 2022, was circulated on the same day. Remote e-voting began on March 31, 2022 and concluded on April 29, 2022. On the final day of

remote e-voting, i.e. April 29, 2022, the resolutions were passed with the necessary majority, and the outcomes were declared on April 30, 2022. Please see the information below for a description of the resolutions and details on the voting pattern.

Description of Resolution and Type of resolution	Number of Votes			
	For	%	Against	%
Special Resolution To create, offer, issue and allot equity shares on Preferential Basis, in one or more tranches, 74,59,935 equity shares of the Company having face value of ₹ 1 each, at a price of ₹ 765.16 per equity share, for consideration other than cash, (being swap of shares of Tata Consumer Products UK Group Limited, United Kingdom, a subsidiary of the Company ("TCP UK") towards payment of the total purchase consideration of ₹ 570.80 crores, payable by the Company to Tata Enterprises (Overseas) AG, a minority shareholder of TCP UK, for the acquisition of 2,38,71,793 ordinary shares of £1 each, representing 10.15% of the paid-up capital of TCP UK, held by Proposed Allottee	**62,85,32,957**	**99.98**	**1,28,287**	**0.02**

Procedure for the postal ballot:

The aforementioned Postal Ballot was conducted solely through the Remote E-Voting process in accordance with the regulations set forth in Sections 108 and 110, as well as other applicable provisions of the Companies Act, 2013 and its corresponding Rules.

Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary (FCS: 2303 & COP No. 880), was appointed as Scrutinizer, for conducting the above Postal Ballot through the Remote E-Voting process fairly and transparently and following the provisions of the Companies Act, 2013 and the rules made thereunder.

Details of the special resolution proposed to be conducted through postal ballot:

There are no special resolutions proposed to be conducted through a postal ballot regarding any of the matters to be discussed at the forthcoming AGM.

MEANS OF COMMUNICATION

The Company utilizes various means of communication to keep its shareholders and stakeholders informed of its financial performance, events, and updates. The Company takes various measures to keep its shareholders informed and engaged and strives to maintain transparency and compliance in all its operations. The Company ensures effective communication with its shareholders to keep them informed on various matters that concern them. Below are some of the mode and means of communication which Company does with its shareholder.

Financial Results: One of the ways in which the Company communicates with its shareholders is through financial results. The Company submits its quarterly, half-yearly, and annual reports to the Stock Exchanges and posts them on its website. The Company also publishes quarterly, half-yearly financial in leading newspapers in India i.e. in Business Standard/Financial Express (All India Edition) (English version) and Sangbad Pratidin/ Aajkaal (Bengali version).

Additionally, all quarterly results are emailed to shareholders whose email addresses are registered with the Company/Depository Participants.

These results are also posted on the Company's website at https://www.tataconsumer.com/investors/investor-relations/results-and-presentation/consolidated-results.

Annual Report: The Company publishes its annual reports to provide shareholders with an overview of its performance, financial position, and various other information as required by the applicable laws. The Company also sends out Integrated Annual Reports containing the Notice of AGM to shareholders via email to all Members whose email addresses are registered with the Company/Depository Participants in accordance with MCA and SEBI Circulars. Physical copies of the Annual Report are also sent to shareholders who have registered a request to receive it in that format or have requested the Company for physical copies during the year.

Earnings Calls and Investor Presentations: The Company conducts regular earnings calls to discuss its financial performance and outlook with investors and analysts. In addition, it attends investor conferences and investor/ analyst meets, schedule whereof is submitted to Stock Exchange and are published on website.

Investors presentations to be made at those earnings calls, investor conferences or investor/analyst meets are beforehand submitted to the Stock Exchanges and are hosted on the Company's website at https://www.tataconsumer.com/investors/investor-relations/results-and-presentation/analyst-presentation.

As required by SEBI regulations, recording and transcripts of earnings calls are also submitted to the Stock Exchanges and are hosted on the Company's website at below links. https://www.tataconsumer.com/investors/financial-information/call-transcripts and https://www.tataconsumer.com/investors/financial-information/earnings-call-recordings

Press Release: The Company issues news releases to communicate important updates, such as significant business developments and corporate governance changes. The Company disseminates information regarding its financial results and significant events through press releases. Before releasing such information in press, those are submitted to the Stock Exchanges and are hosted on the Company's website at https://www.tataconsumer.com/investors/investor-relations/results-and-presentation/press-releases.

Website: The Company also utilizes its website www.tataconsumer.com as a valuable tool for providing information related to its business operations, management structure, and the individuals who make up its workforce. Moreover, the website also highlights the company's commitment to sustainability and provides a dedicated section for investors that contains a wealth of information that is required to be made available to the public. This section is specifically designed to cater to the needs and interests of various stakeholders who are invested in the company's success. By providing easy access to relevant information, the Company demonstrates its commitment to transparency and accountability, and empowers its stakeholders to make informed decisions.

Communication related to unclaimed Dividends and updating of records: In cases where dividends remain unclaimed by shareholders, the Company sends out reminder letters to shareholders to encourage them to claim their dividends. This is a proactive measure taken by the Company to ensure that its shareholders receive the benefits of their investments and do not miss out on any financial gains.

Additionally, the Company also send reminders to its shareholders on updates on their critical information required by law, such as their Permanent Account Number (PAN), bank account details, signature, or other important details that may affect their shareholdings. These updates are sent out periodically to ensure that shareholders' records are accurate and up-to-date, and that their investments are secure.

The Company is also committed to adhering to regulations set by the Investor Education and Protection Fund (IEPF), which provides for transfer of unclaimed dividend and shares to IEPF. The Company notifies its shareholders before any shares are transferred to the IEPF to ensure that they are aware of the implications and can take appropriate actions to prevent such transfers, if necessary.

Social Media: The Company utilizes social media platforms to engage with its stakeholders and provide updates on its activities.

GENERAL SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING: 60th Annual General Meeting (AGM) of the Company is scheduled to be held on Tuesday, June 6, 2023, at 10.30 a.m through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') facility being provide by the Company pursuant to the MCA circulars and SEBI Circular.

DIVIDEND PAYMENT: Subject to approval by the shareholders at the upcoming AGM, the Board has recommended a dividend of ₹ 8.45 per equity share of Re. 1 each, to be paid out on or after June 8, 2023, and no later than July 5, 2023. Any applicable income tax will be deducted at the source before the dividend is paid out.

FINANCIAL YEAR: The Company follows the financial year as prescribed under the Companies Act, 2013 that is period of 12 months starts from 1st day of April of a year and ending on the 31st day of March of the following year.

LISTING DETAILS OF SHARES OF THE COMPANY: Equity shares of the Company are listed on the following Indian Stock Exchanges:

Name of exchange	Address	Stock Code
BSE Limited ("BSE")	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	500800
National Stock Exchange of India Limited ("NSE")	Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E) , Mumbai – 400 051	'TATACONSUM'
The Calcutta Stock Exchange Limited ("CSE")	7, Lyons Range, Kolkata – 700 001	27 (For Physical); 10000027 (For Demat)

The Annual listing fees for FY 2022-23 and FY 2023-24 have been paid to all above Stock Exchanges, as per the invoices raised by them.

DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The Company's equity shares are traded in dematerialized form on both NSE and BSE. As of March 31, 2023, 98.88% paid-up equity share capital of the Company are in dematerialized mode. The shares are assigned the International Securities Identification Number (ISIN) INE192A01025 under the Depository System.

The two depositories where the shares are available are National Securities Depository Limited, located at Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, and Central Depository Services (India) Limited, located at Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013.

MARKET PRICE DATA – HIGH, LOW, AND NUMBER OF SHARES TRADED DURING EACH MONTH IN THE LAST FINANCIAL YEAR 2022-23

Month	BSE			NSE		
	High	Low	Volume (No. of Shares traded)	High	Low	Volume (No. of Shares traded)
	₹	₹		₹	₹	
April 2022	836.55	777.25	2,187,781	836.85	779.00	32,823,291
May 2022	831.95	698.10	2,898,926	832.00	698.00	39,450,390
June 2022	780.00	704.00	1,253,904	780.50	703.10	29,390,049
July 2022	823.65	698.00	2,285,587	824.00	697.00	28,659,870
August 2022	825.75	760.70	4,262,775	826.00	760.55	52,161,802
September 2022	861.35	762.05	2,716,741	861.15	762.00	44,576,199
October 2022	804.10	739.10	2,925,293	804.80	738.80	25,672,343
November 2022	821.50	756.70	1,509,049	821.95	756.65	34,216,559
December 2022	822.00	763.50	1,158,520	821.90	763.10	24,374,928
January 2023	780.80	725.35	951,991	781.00	725.05	22,270,132
February 2023	748.30	700.10	1,203,010	748.40	700.00	21,046,042
March 2023	722.95	685.00	1,407,604	723.20	686.60	24,349,759

There was no trading of the Company's shares on CSE during FY 2022-23.

PERFORMANCE OF COMPANY'S SHARE IN COMPARISON TO BROAD-BASED INDICES LIKE S&P BSE SENSEX AND NIFTY 50 ARE GIVEN BELOW

Months	Company's closing price at BSE	S&P BSE Sensex	Company's closing price at NSE	Nifty 50
April 2022	824.20	57060.87	823.75	17102.55
May 2022	764.30	55566.41	759.75	16584.55
June 2022	707.25	53018.94	706.35	15780.25
July 2022	811.55	57570.25	811.65	17158.25
August 2022	809.65	59537.07	809.65	17759.30
September 2022	803.40	57426.92	802.85	17094.35
October 2022	770.10	60746.59	770.15	18012.20
November 2022	818.00	63099.65	818.05	18758.35
December 2022	767.15	60840.74	766.95	18105.30
January 2023	729.40	59549.90	729.50	17662.15
February 2023	714.40	58962.12	715.30	17303.95
March 2023	710.05	58991.52	708.85	17359.75

Note: There was no trading of the Company's shares on CSE during FY 2022-23, hence performance of shares on CSE is not available

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, 2022	779.95	777.25	17436.9	58,530.73
- As at March 31, 2023	708.85	710.05	17359.75	58991.52
- Growth	↓9.12%	↓8.65%	↓0.44%	↓0.79%

Five-year performance				
Closing price	Company's share price on		Indices	
	NSE	BSE	NIFTY 50	S & P Sensex
- As at April 2, 2018	259.35	260	10151.65	33030.87
- As at March 31, 2023	708.85	710.05	17359.75	58991.52
- Growth	↑173.32%	↑173.10%	↑71.00%	↑78.60%

ADDRESS FOR CORRESPONDENCE FOR INVESTORS/DEPOSIT HOLDERS' QUERIES

Registrar & Transfer Agents:

Name & Address	Phone, Email and website
TSR Consultants Private Limited C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai – 400083	Tel:+91-8108118484 Fax:+91-22-66568494 Email:csg-unit@tcplindia.co.in, Website : https://www.tcplindia.co.in
Collection Centers of Registrar & Transfer Agents:	
Mumbai Building 17/19, Office No. 415 Rex Chambers, Ballard Estate, Walchand Hirachand Marg, Fort, Mumbai-400 001 Tel: +91-7304874606	
Bangalore C/o. Mr. D. Nagendra Rao, "Vaghdevi" 543/A, 7th Main 3rd Cross, Hanumanthnagar, Bengaluru - 560019 Tel: +91-80-26509004	
Kolkata C/o Link Intime India Private Limited Vaishno Chamber, Flat No. 502 & 503 5th Floor, 6, Brabourne Road, Kolkata - 700001 Tel: +91-33-40081986	
New 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 Tel: +91-11-49411000	
Jamshedpur Qtr. No. L-4/5, Main Road, Bistupur (Beside Chappan - Bhog Sweet Shop), Jamshedpur - 831001 Tel: +91-657-2426937	
Ahmedabad C/o Link India Intime 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 Tel: +91-79-26465179	

Note: The Registrar & Transfer Agent can be contacted between 10:00 a.m. and 5:00 p.m. on any working day (Monday to Friday, excluding bank/public holidays)

Contact details of Compliance Officer

Name and Contact details	Address
Mr. Neelabja Chakrabarty Company Secretary & Compliance Officer Tel: +91 22 61218400 Email: investor.relations@tataconsumer.com	**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 Website: www.tataconsumer.com

Contact details of Investor Relations Officer

Name and Contact details	Address
Ms. Nidhi Verma Tel: +91 22 61218400 Email: nidhi.verma@tataconsumer.com	**Corporate Office** 11/13, Botawala Building, 1st Floor, Office # 2-6 Horniman Circle, Fort, Mumbai - 400 001 Website: www.tataconsumer.com

SHARE TRANSFER SYSTEM

As per the Listing Regulations, shares cannot be transferred unless they are held in dematerialized mode. Shareholders who hold shares in physical form are advised to convert them into dematerialized mode to avoid the risk of losing shares, fraudulent transactions, and to receive better investor servicing. Only valid transmission or transposition cases that comply with the SEBI guidelines will be processed by the RTA of the Company. To transfer, transmit, or transpose shares in physical form, shareholders should submit them to the office of the Company's Registrar & Share Transfer Agent, TSR Consultants Private Limited, Mumbai, or at their branch offices as specified. The RTA will process these cases only if they are technically found to be complete and in order. The Board has delegated the power to approve the transmission request to the Company Secretary of the Company.

Shareholders are advice to refer the latest SEBI guidelines/circular issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC detail updated all the time to avoid freezing their folio as prescribed by SEBI.

Distribution of Shareholding as of March 31, 2023

No. of Shares	Holding	Amount (₹)	% to Capital	No. of Holders	% to Total Holders
1 to 500	4,65,56,496	4,65,56,496	5.01	7,88,880	93.14
501 to 1000	1,92,50,117	1,92,50,117	2.07	25,933	3.06
1001 to 2000	2,15,48,509	2,15,48,509	2.32	14,980	1.77
2001 to 3000	1,37,83,075	1,37,83,075	1.48	5,527	0.65
3001 to 4000	1,00,62,887	1,00,62,887	1.08	2,868	0.34
4001 to 5000	86,63,714	86,63,714	0.93	1,893	0.22
5001 to 10000	2,60,16,143	2,60,16,143	2.80	3,703	0.44
Greater than 10000	78,31,30,709	78,31,30,709	84.30	3,241	0.38
Total	**92,90,11,650**	**92,90,11,650**	**100.00**	**8,47,025**	**100.00**

Categories of Shareholders as of March 31, 2023

Sr. No.	Particulars	Holdings/Shares held	% to Capital
1	Promoter/ Promoter Group	31,96,29,733	34.41
2	Foreign Portfolio Investor	23,23,60,297	25.01
3	Individuals	18,48,75,262	19.90
4	Insurance Companies	8,19,53,855	8.82
5	Mutual Funds/ alternate investment Fund	5,66,53,175	6.10
6	Bodies Corporate	1,33,58,768	1.44
7	Non Resident Individuals	93,44,878	1.01
8	IEPF A/C	40,35,087	0.43

Sr. No.	Particulars	Holdings/Shares held	% to Capital
9	Financial Institutions/Banks	9,10,942	0.10
10	Custodian/DR Holder	10,61,813	0.11
11	Directors and their Relatives	1,50,513	0.02
12	Government/ President of India	87,970	0.01
13	NBFCs registered with RBI	64,789	0.01
14	Others	2,45,24,568	2.64
Total		**929,011,650**	**100.00**

Top Ten Shareholders other than Promoter/ Promoter Group as on March 31, 2023

Sr. No.	Name of the Shareholder	No. of Shares	%
1	Life Insurance Corporation of India	63,538,449	6.84
2	First Sentier Investors ICVC - Stewart Investors Asia Pacific Leaders Sustainability Fund	36,453,575	3.92
3	Government Pension Fund Global	14,897,838	1.60
4	SBI-ETF NIFTY 50	11,407,968	1.23
5	Government of Singapore	8,642,503	0.93
6	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	8,527,132	0.92
7	Vanguard Total International Stock Index Fund	7,983,594	0.86
8	NPS TRUST- A/C SBI Pension Fund Scheme - State Govt	7,562,526	0.81
9	Tata Enterprises (Overseas) AG	7,459,935	0.80
10	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Flexi Cap Fund	6,654,040	0.72

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

GLOBAL DEPOSITORY RECEIPTS ISSUED BY THE COMPANY

The Company has a Global Depository Receipts ("GDR") program wherein Deutsche Bank Trust Company Americas ("Deutsche") was appointed as the exclusive depository for this program. Global Depository Receipts of the Company are listed on the following overseas Stock Exchanges and the underlying equity shares are listed on NSE, BSE and CSE. Each GDR represents one underlying equity share of the Company. The underlying shares against the outstanding GDRs have been allotted in the name of Custodian.

Name of exchange	Address
Luxembourg Stock Exchange	35A Boulevard Joseph II, L-1840 Luxembourg
London Stock Exchange	10 Paternoster Square, London, EC4M 7LS, United Kingdom

As on March 31, 2023, the outstanding Global Depository Receipts ("GDRs") were 1,061,813.

Termination of GDR programme

As the GDR holding as compared to the Paid-up Capital of the Company over the years is very insignificant, the Company has decided to terminate the GDR program and thereby terminate the engagement with Deutsche. The Company will take necessary steps to terminate GDR program and its related aspects and consequently GDR will be delisted from London Stock Exchange and Luxembourg Stock Exchange.

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.

COMMODITY RISKS 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 the supply/demand position and as an agricultural crop, the 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.

PLANT LOCATIONS

1	Periakanal Estate	PO Munnar, Dist. Idukki Kerala – 685612
2	Pullivasal Estate & Tea Packeting Centre	PO Munnar, Dist. Idukki Kerala – 685612
3	Instant Tea Operations (Including Nullatani factory)	Post Box no. 3, Idukki District, Munnar, Kerala – 685612
4	Tetley (Tea Bag) Division	73/74 KPK Menon Road, Willingdon, Island, Kochi, Kerala – 682 003
5	Water Plant	Village Dhaulakuan, Paonta Sahib, District Sirmour, Himachal Pradesh – 173 025

In addition to the above locations, the Company also operates through third-party contract manufacturers at several locations.

CREDIT RATINGS

During the year under review, CARE Ratings Limited (CARE) and ICRA Limited (ICRA) have reaffirmed the ratings for the following instruments of the Company:

Instrument Details	Amount	Reaffirmed Rating
Long-Term Debt (including Non-Convertible Debenture)	₹ 350 Crores	[ICRA] AAA (Stable)
Short Term Debt-Commercial Papers	₹ 715 Crores*	[ICRA] A1+
Fund-based Working capital limits	₹ 400 Crores*	[ICRA] AAA (Stable)/ [ICRA] A1+
Non-Fund Based facility	₹ 24 Crores	[ICRA] A1+
Short Term Instruments - Commercial Papers	₹ 715 Crores*	CARE A1+

**Total borrowing under Commercial papers and fund-based facilities from Banks to remain within an overall limit of ₹ 715 Crore*

TRANSFER OF UNCLAIMED AMOUNTS/ SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

As per Sections 124 and 125 of the Act, read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (collectively referred to as "IEPF Rules"), any dividends or proceeds from the sale of fractional shares that remain unclaimed/unpaid for a period of seven years must be transferred to the IEPF. Additionally, shares with unclaimed dividends for seven consecutive years must be transferred to the Demat Account of the IEPF Authority, except when a court or statutory authority restrains transfer. During FY 2022-23, the Company has transferred unclaimed dividends declared for FY 2014-15 and shares on which dividend(s) remained unclaimed from FY 2014-15 to FY 2021-22 to the IEPF. Information about the transferred dividends and shares is available on the Company's website- https://www.tataconsumer.com/investors/investor-information/iepf-related-matters.

The Company sends reminders to shareholders periodically, urging them to claim their unclaimed dividends to avoid transfer to the IEPF Authority. Notices are also published in newspapers, and the details of unclaimed dividends and shareholders whose shares are eligible for transfer to the IEPF Authority are available on the Company's website at https://www.tataconsumer.com/investors/investor-information/letters-sent-to-shareholders.

Please note that the unclaimed dividend declared for FY 2015-16 on August 24, 2016, along with underlying shares on which dividend remained unclaimed for seven consecutive years, will be transferred to the IEPF by September/October 2023. Shareholders who have not encashed the dividend(s) from FY 2015-16 onwards can forward their claims to the Company's Registrar and Transfer Agents before September 13, 2023, to avoid the transfer of dividend or shares to the IEPF Authority.

However, shareholders can claim back their shares and unclaimed dividends transferred to the IEPF by following the prescribed procedure under the IEPF Rules. The shareholder/claimant must make an online application to the IEPF Authority in e-Form No. IEPF-5 (available at www.iepf.gov.in) and submit the necessary documents to the Company.

The following table provides information about outstanding dividends/sale proceeds from fractional shares and their respective due dates for claiming it from the Company

Financial year ended	Date of payment	Nature of Payment	Last Date to claim
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 proceeds from fractional shares	May 24, 2027
March 31, 2021	June 29, 2021	Dividend	July 17, 2028
March 31, 2022	June 29, 2022	Dividend	July 19, 2029

OTHER DISCLOSURES

1. **Disclosure on materially significant related party transactions:** During the year, the Company has not entered any materially significant related party transactions that may have potential conflict with the interests of the Company at large. Details of related party transaction is provided in the accompanied financial statements. The policy for related party transactions can be accessed at the Company website at https://www.tataconsumer.com/investors/policies.

2. **Disclosure on instance of non-compliance:** There has been no instance of non-compliance on any matter related to capital markets during the last three financial years for which stock exchange(s) or SEBI or any statutory authority has levied any penalties, strictures imposed on the Company.

3. **Disclosure on Vigil mechanism/whistleblower policy:** Details of establishment of vigil mechanism, whistleblower policy has been provided in the Board's Report

4. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:** Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been provided in the Board's Report.

5. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:** The Company has complied with all mandatory requirements of the Listing Regulations for FY 2022-23 and details of discretionary requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

   a) Maintenance of Chairman's office: The Non-Executive Chairman has a separate office which is not maintained by the Company.

   b) Shareholders' Rights: The quarterly and half-yearly financial performance along with significant events are published in the newspapers, hosted on the Company's website and are also emailed to the shareholders who have registered their email ids with the Company/Depositories

   c) Modified Opinion in Auditors' Report: The Company's financial statements for the year 2022-23 do not contain any modified audit opinion.

   d) The Chairman of the Board is Non-Executive Director and not related to the Managing Director & Chief Executive Officer ('MD&CEO') of the Company. A clear distinction exists between the roles and duties of the Chairman and those of the Managing Director & CEO.

   e) Reporting of Internal Auditor: The Internal Auditor functionally reports to the Audit Committee and participates in the meetings of the Audit Committee and presents internal audit observations to the Audit Committee.

6. **Disclosure of utilization of funds raised through preferential allotment or qualified institutions placement:** During the year under review, the preferential allotment made by the Company was for consideration other than cash, discharged by swap of shares. As no funds were raised through preferential allotment, disclosure regarding of utilization of funds raised through preferential allotment as specified under Regulation 32 (7A) is not required. The Company has not made any qualified institutions placement during the year.

7. **Details of Consolidated Fees paid/payable to Statutory Auditors:** Total fees paid /payable for all services availed by the Company and its subsidiaries during FY 2022-23, 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, are given below:

Type of Services/Fees	Amount in Crores
Statutory Audit Fees	11.88
Other services include reimbursement of expenses	2.83
Total	14.70

8. **Disclosure on 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.

9. **Disclosure on Material Subsidiaries:** In compliance with the Listing Regulations, the Board has formulated the Policy for determining Material Subsidiaries. The policy is available at the Company's website and can be accessed at the link https://www.tataconsumer.com/investors/policies.

Name of Material Subsidiaries	Details of Incorporation		Details of Statutory Auditor	
	Place	Date	Name	Date of appointment
Tata Consumer Products UK Group Limited	United Kingdom	September 3, 1999	Deloitte LLP	August 18, 2017
Tata Consumer Products GB Limited	United Kingdom	February 9, 1995	Deloitte LLP	August 18, 2017
Eight O'Clock Coffee Company Limited (EOC)	Delaware	September 18, 2003	(Refer Note)	

Note: There is no requirement of statutory audit to be carried out on the financial statements of EOC. However, for the purposes of inclusion of the financial information of the entity into the consolidated financial statements of the TCP group for the year ended March 31, 2023, the statutory auditors of the Company- Deloitte Haskins and Sells LLP, India, have carried out audit procedures that they deem necessary for the purpose.

In compliance with the Listing Regulation, the Company has appointed Mr. Bharat Puri, an Independent Director of the Company, to serve as an Independent Director on the Board of two material unlisted foreign subsidiaries of the Company - Tata Consumer Products GB Limited and Tata Consumer Products UK Group Limited, both based in the United Kingdom. Similarly, Mr. Siraj Chaudhry, another Independent Director of the Company, has been appointed as an Independent Director on the Board of the Eight O'Clock Coffee Company Limited, a material unlisted subsidiary of the Company based in the United States of America. This appointment ensures that the subsidiary benefits from the guidance and expertise of an experienced Independent Director, who can help to ensure that the subsidiary is well-managed and operates with integrity.

10. **Disclosure on loans or advances**: There have been no loans or advances extended by the Company or its subsidiaries, which bear resemblance to loans, to any firms or companies where the Directors of the Company hold an interest.

11. **CEO/CFO Certification:** Pursuant to the provisions outlined in Regulation 17(8) of the Listing Regulations, both the Managing Director & CEO and Chief Financial Officer (CFO) have issued a joint certificate verifying that the financial statements are free from any materially false statement, and accurately reflect the Company's current state of affairs. The said certificate has been appended as **Annexure 2** to this report.

12. **Certificate confirming non-debarment and non-disqualified of Directors:** Dr. Asim Kumar Chattopadhyay, a Practicing Company Secretary, has issued a certificate certifying that none of the Directors serving on the Board of the Company have been debarred or disqualified from being appointed

or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The said certificate has been appended as **Annexure 3** to this report.

13. **Compliance with Corporate Governance requirements:** The Company has complied with requirements of Corporate Governance set forth in Regulation 17 to 27, as well as Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable. The Company also has complied with all the mandatory requirements of Corporate Governance as specified in sub paras (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations

14. **Certificate On Corporate Governance:** Dr. Asim Kumar Chattopadhyay, a Practicing Company Secretary, has issued a Compliance Certificate in accordance with Schedule V of the Listing Regulations, attesting to the Company's adherence to the Corporate Governance conditions. The said certificate has been appended as **Annexure 4** to this report.

15. **Links of key information available on the website:**

Particulars	Website links
Basic Information	https://www.tataconsumer.com/investors/company-information
Composition and profile of the Board of Directors	https://www.tataconsumer.com/about/leadership
Detail of Committees and its Charters	
Terms and conditions of appointment of Independent Directors	https://www.tataconsumer.com/corporate-governance/compliances-and-filings
Code of conduct for Non-Executive Directors	
Familiarisation programme for Independent Directors	
Quarterly Shareholding Pattern	https://www.tataconsumer.com/investors/investor-relations/shareholding-pattern
Quarterly Corporate Governance Report	https://www.tataconsumer.com/corporate-governance/Compliances
General Meeting	https://www.tataconsumer.com/investors/investor-information/agm/agm-webcast-recording
Postal Ballots	https://www.tataconsumer.com/investors/shareholder-information/postal-ballots
Amalgamation and Scheme of Arrangement	https://www.tataconsumer.com/investors/scheme-of-amalgamation/tc-tcplb-with-tcpl
Communication relating to IEPF and details of Unclaimed dividend amount(s)	https://www.tataconsumer.com/investors/investor-information/iepf-related-matters
Communication relating to Dividend and Other Corporate Actions and unclaimed dividends	https://www.tataconsumer.com/investors/investor-information/unclaimed-dividend
Communication to Shareholders	https://www.tataconsumer.com/investors/investor-information/letters-sent-to-shareholders
Sustainability Initiatives including CSR Projects	https://www.tataconsumer.com/sustainability
Financials Results, Investors Presentations, Press Releases, Earnings Call Transcripts & Recordings	https://www.tataconsumer.com/investors/investor-relations/results-and-presentation/consolidated-results
Interactive Analysis Tool - Quarterly and Annual	https://www.tataconsumer.com/investors/financial-information/quarterly-results-interactive-analysis-tool
Corporate Policies and Codes	https://www.tataconsumer.com/investors/policies

16. Links of following corporate policies and Codes: https://www.tataconsumer.com/investors/policies

- Tata Code of Conduct
- Whistle Blower Policy
- Policy on Nomination, Appointment and Removal of Directors
- Remuneration Policy of Directors, KMPs, and other employees (including Criteria for making payments to Non-Executive Directors)
- Dividend Distribution Policy
- Corporate Social Responsibility Policy
- Policy on Related Party Transactions
- Policy for determining Material Subsidiaries
- Policy on determining Materiality for Disclosure
- Code for Corporate Disclosure Practices
- Document Retention Policy
- Archival Policy
- Tata Affirmative Action Policy
- Anti-Bribery and Anti-Corruption Policy
- Prevention of Sexual Harassment Policy
- Anti-Money Laundering Policy
- Gifts and Hospitality Policy
- Group health safety and well-being policy
- Business and human rights policy

GREEN INITIATIVE

As a responsible corporate entity, the Company wholeheartedly endorses and supports the 'Green Initiative' launched by the Ministry of Corporate Affairs, Government of India. This initiative facilitates electronic delivery of documents, including the Annual Report, quarterly and half-yearly results, and other such documents, to shareholders' registered e-mail addresses with their DPs or with the Company or its RTA. We urge shareholders who have not yet registered their e-mail addresses to do so without delay. Shareholders who hold shares in Demat form can register their e-mail address with their respective DPs. For shareholders who hold shares in physical form, we kindly request that they register their e-mail addresses with the RTA by sending a signed letter, quoting their Folio Number details.

ANNEXURE 1 OF CORPORATE GOVERNANCE REPORT

DECLARATION BY THE CEO ON CODE OF CONDUCT

[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 Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2022-23.

For Tata Consumer Products Limited

Sunil D'Souza
Managing Director & CEO
DIN: 07194259

Mumbai, April 25, 2023

ANNEXURE 2 OF CORPORATE GOVERNANCE REPORT

CEO/CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT

[Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]
For the Financial Year ended March 31, 2023

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2023, 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, 2023, 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

Sunil D'Souza
Managing Director & CEO
DIN: 07194259

Sivakumar Sivasankaran
Chief Financial Officer

Mumbai, April 25, 2023

ANNEXURE 3 OF CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V pare 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 **Tata Consumer Products Limited (CIN: L15491WB1962PLC031425)** and having registered office at 1, Bishop Lefroy Road, Kolkata – 700020 (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 ended 31st March, 2023 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.

Sl No	DIN/DPIN/PAN	Full Name	Date of Appointment
1	00043265	Shikha Sanjaya Sharma	07/05/2019
2	00121863	Chandrasekaran Natarajan	03/07/2017
3	00161853	Siraj Azmat Chaudhry	03/07/2017
4	00423616	Lakshmanan Krishna Kumar	01/04/2013
5	01099097	Kodumudi Pranatharthiharan Krishnan	22/10/2021
6	02173566	Bharat Tilakraj Puri	07/05/2019
7	02762983	Pathamadai Balachandran Balaji	08/08/2020
8	07194259	Sunil Alaric Dsouza	04/04/2020
9	09584874	David Francis Crean	04/05/2022

Ensuring the eligibility for appointment / continuity of every director on the Board is 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 efficiency or effectiveness with which the management has conducted the affairs of the Company.

Dr. Asim Kumar Chattopadhyay
Practicing Company Secretary
FCS : 2303 CP: 880
PR No.–792/2020

UDIN: F002303E000167875
Date: 21/04/2023
Place: Kolkata

ANNEXURE 4 OF CORPORATE GOVERNANCE 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 ("the Company") for the year ended on 31st March 2023, as stipulated in the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations,2015 as amended from time to time (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 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, 2023.

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.

Dr. Asim Kumar Chattopadhyay
Practicing Company Secretary
FCS : 2303 CP: 880
PR No.–792/2020

UDIN: F002303E000167875
Date: 25/04/2023
Place: Kolkata

Business Responsibility and Sustainability Report (BRSR)

SECTION A - GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	**Corporate Identity number:**	L15491WB1962PLC031425
2.	**Name of the Listed Entity:**	Tata Consumer Products Limited ("TCPL")
3.	**Year of incorporation:**	18-10-1962
4.	**Registered office address:**	1, Bishop Lefroy Road, Kolkata - 700020
5.	**Corporate address:**	11/13, Botawala Building,1st Floor, Office # 2-6 Horniman Circle, Fort, Mumbai- 400 001
6.	**E-mail:**	Investor.relations@tataconsumer.com
7.	**Telephone:**	022-61218400
8.	**Website:**	www.tataconsumer.com
9.	**Financial year for which reporting is being done:**	2022-2023
10.	**Name of the Stock Exchange(s) where shares are listed:**	BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited
11.	**Paid-up Capital**:	INR 929011650/-
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**	Mr. Vishwa Bandhu Bhattacharya Director, Sustainability Tel: +91-022-61218400 vishwa.bhattacharya@tataconsumer.com
13.	**Reporting boundary:**	Report is done on a standalone basis

II. PRODUCTS/SERVICES

SL No	Activity	Description of Main Activity
14	Details of business activities (accounting for 90% of the turnover):	Processing and blending of tea including the manufacture of instant tea, trading of coffee products, manufacture of mineral water, trading of Salt, manufacture of food ingredients and sweeteners, wholesale of pulses and spices.
15	Products/Services sold by the entity (accounting for 90% of the entity's Turnover):	Packaged Beverages: Tea, Coffee and Water Packaged Food: Edible Salt, Pulses and Spices

III. OPERATIONS

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	21	12	**33**
International	**Not Applicable**		

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states)	28
Total	28

b. What is the contribution of exports as a percentage of the total turnover of the entity?

3.98%

c. A brief on types of customers

TCPL products comes under Beverages and Food categories. Under Beverages, our products include Tea, coffee and water (Liquid Beverages). Under food portfolio, items included are salt, pulses, spices, ready-to-cook mixes and mini meals.

TCPL caters the demands of two types of customers which are mentioned as below:

1) Intermediary customers including retailer, reseller, distributor, channel partner or a broker who are critical links through which the resources are routed.

2) End Consumers who buy and consume our products regularly through intermediate platforms.

IV. EMPLOYEES

18. Details as at the end of Financial Year:

a. Employees and workers (including differently-abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1	**Permanent (D)**	1304	1125	86%	179	14%
2	**Other than Permanent (E)**	-	-	-	-	-
3	**Total employees (D + E)**	**1304**	**1125**	**86%**	**179**	**14%**
Workers						
1	**Permanent (D)**	1736	1044	60%	692	40%
2	**Other than Permanent(E)**	1493	1362	91%	121	9%
3	**Total employees (D + E)**	**3229**	**2406**	**75%**	**823**	**25%**

b. Differently-abled Employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1	**Permanent (D)**	3	2	67%	1	33%
2	**Other than Permanent (E)**	-	-	-	-	-
3	**Total employees (D + E)**	**3**	**2**	**67%**	**1**	**33%**
Workers						
1	**Permanent (D)**	15	11	73%	4	27%
2	**Other than Permanent(E)**	-	-	-	-	-
3	**Total employees (D + E)**	**15**	**11**	**73%**	**4**	**27%**

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	1	11%
Key Management Personnel (Excluding KMP already covered under BoD)	2	0	0%

20. Turnover rate for permanent employees

	FY 2022-23			FY 2021-22*			FY 2020-21*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22%	22%	22%	19%	14%	18%	12%	9%	12%
Permanent Workers	5%	3%	4%	2%	1%	2%	7%	5%	6%

*** -** Calculation methodology updated as per BRSR Guidelines.

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	Country of Incorporation	% of shares held by listed entity*	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Tata Consumer Products UK Group Limited	Subsidiary	UK	100%	No, the subsidiaries, associate companies, and joint ventures listed in column A, does not participate in the Business Responsibility initiatives
	Subsidiaries of Tata Consumer Products UK Group Limited				
2.	Tata Global Beverages Holdings Limited	Subsidiary	UK	100%	
3.	Tata Global Beverages Services Limited	Subsidiary	UK	100%	
4.	Tata Consumer Products GB Limited	Subsidiary	UK	100%	
5.	Tata Consumer Products Overseas Holdings Limited	Subsidiary	UK	100%	
6.	Tata Global Beverages Overseas Limited	Subsidiary	UK	100%	
7.	Lyons Tetley Limited	Subsidiary	UK	100%	
8.	Drassington Limited	Subsidiary	UK	100%	
9.	Teapigs Limited	Subsidiary	UK	100%	
10.	Teapigs US LLC	Subsidiary	USA	100%	
11.	Stansand Limited	Subsidiary	UK	100%	
12.	Stansand (Brokers) Limited	Subsidiary	UK	100%	
13.	Stansand (Africa) Limited	Subsidiary	Kenya	100%	
14.	Stansand (Central Africa) Limited	Subsidiary	Malawi	100%	
15.	Tata Consumer Products Polska sp.zo.o	Subsidiary	Poland	100%	
16.	Tata Consumer Products US Holdings Inc	Subsidiary	USA	100%	
17.	Tetley USA Inc.	Subsidiary	USA	100%	
18.	Tata Waters LLC	Subsidiary	USA	100%	
19.	Good Earth Corporation	Subsidiary	USA	100%	

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	Country of Incorporation	% of shares held by listed entity*	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
20.	Good Earth Teas Inc.	Subsidiary	USA	100%	
21.	Tata Consumer Products Canada Inc.	Subsidiary	Canada	100%	
22.	Tata Consumer Products Australia Pty Limited	Subsidiary	Australia	100%	
23.	Earth Rules Pty Limited	Subsidiary	Australia	100%	
24.	Tata Global Beverages Investments Limited	Subsidiary	UK	100%	
25.	Campestres Holdings Limited	Subsidiary	Cyprus	100%	
26.	Kahutara Holdings Limited	Subsidiary	Cyprus	100%	
27.	Suntyco Holding Limited	Subsidiary	Cyprus	100%	
28.	Onomento Co Limited	Subsidiary	Cyprus	100%	
29.	Joekels Tea Packers (Proprietary) Limited	Subsidiary	South Africa	75%	
30.	Tetley ACI (Bangladesh) Limited (converted from JV to Subsidiary w.e.f. February 9, 2023)	Subsidiary	Bangladesh	100%	
31.	Tata Consumer Products Capital Limited	Subsidiary	UK	100%	
32.	Tata Coffee Limited	Subsidiary	India	57.48%	
	Subsidiaries of Tata Coffee Limited				
33.	Tata Coffee Vietnam Company Limited	Subsidiary	Vietnam	100%	
34.	Consolidated Coffee Inc.	Subsidiary	USA	100%	
	Subsidiaries of Consolidated Coffee Inc.				
35.	Eight O'Clock Holdings Inc.	Subsidiary	USA	100%	
36.	Eight O'Clock Coffee Company.	Subsidiary	USA	100%	
37.	Tata Tea Extractions Inc.	Subsidiary	USA	100%	
38.	NourishCo Beverages Limited	Subsidiary	India	100%	
39.	Tata Consumer Soulfull Private Limited	Subsidiary	India	100%	
40.	Tata Tea Holdings Private Limited	Subsidiary	India	100%	
41.	Tata Smartfoodz Limited	Subsidiary	India	100%	
42.	TRIL Constructions Limited	Subsidiary	India	80.46%#	
43.	TCPL Beverages & Foods Limited	Subsidiary	India	100%	
44.	Tata Starbucks Private Limited	Joint Venture	India	50%	
45.	Tetley Clover (Pvt) Limited (under liquidation)	Joint Venture	Pakistan	50%	
46.	Amalgamated Plantations Pvt. Limited	Associate	India	41.03%	
47.	Kanan Devan Hills Plantation Co. Pvt. Limited	Associate	India	28.52%	

*The indicated percentage of shares held in step-down subsidiaries represents the percentage held by the Company and/or by its subsidiaries.

#on a fully diluted basis

VI. CSR DETAILS

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): 8538.82 Crores

(iii) Net worth (in ₹): 12689.58 Crores

VI. TRANSPARENCY AND DISCLOSURES COMPLIANCES

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Number of complaints filed during the year	FY 2022-23 Number of complaints pending resolution at close of the year	FY 2022-23 Remarks	FY 2021-22 Number of complaints filed during the year	FY 2021-22 Number of complaints pending resolution at close of the year	FY 2021-22 Remarks
Communities	Yes	0	0	NIL	0	0	NIL
Investors	Yes	0	0	NIL	0	0	NIL
Shareholders	Yes	90	4	NIL	46	0	NIL
Employees and workers	Yes	8	2	We are currently in the process of evaluating the pending complaints; Appropriate action will be taken in case anyone found guilty.	10	0	NIL
Customers	Yes	1994	71		2051	0	NIL
Value Chain Partners	Yes	10	1		8	0	NIL
Others (please specify)	Yes	6	3		4	0	NIL

Tata Consumer Products Ltd has adopted the Tata Code of Conduct for ethical business conduct for all other stakeholders (employees, vendors, consultants, suppliers, and directors). Any divergence from the Code of Conduct, rules, or corporate law must be reported by all parties involved with the organisation. We have a grievance redressal mechanism which covers all our stakeholders. The Ethics & Compliance Hotline has been established for reporting problems. An independent Third-Party Provider-supported whistle-blower process is set up so that any issues can be disclosed without fear of victimisation, retaliation, or reprisal. We make sure that all complaints are looked into by designated ethics and compliance personnel, and appropriate measures are taken against individuals who are found to be at fault.

Reporting Channel	Country	Contact Information
Phone	India	1800 3000 0053
	United States	1 844 3710 217
	UK	0808 234 1815
	Other Countries	+2712 543 5809
Email	All countries	tataconsumer@ethicshelpline.in
Web Portal	All countries	www.in.kpmg.com/ ethicshelpline.in
Fax	India	Dial 1800 3000 0053 and select option 2 on IVR
	All countries	+2712 5431 547
PostBox	All countries	P. O. Box No 71, DLF Phase 1, Qutub Enclave, Gurgaon -122002, Haryana, India.

The Ethics & Compliance Helpline forwards complaints to the assigned ethics and compliance personnel for assessment and investigation. In situations requiring impartiality, external independent parties are requested to assist. The company ensures confidentiality by not mandating the disclosure of identity while submitting a complaint. Upon lodging a complaint, the complainant is assigned a distinctive case reference number which can be utilized to check the complaint's status after 45 days. If the complainant encounters any form of retaliation or victimization after reporting an incident through the Vigil Mechanism Whistle Blower Policy, they can contact the Ethics Committee for assistance.

Our Ethical Tea Partnership programs have enabled us to establish one thousand community structures, including Child Protection Committees (CPC), Mothers' committees, Panchayati Raj Institutions (PRI), and School Management Committees (SMC) across 205 tea estates, as part of our CSR initiatives. With the support of tea management, these committees have effectively addressed child protection concerns. The committees have been instrumental in safeguarding children from abuse and overseeing protection-related issues affecting them. They take action to address these concerns, with a focus on preventing harmful practices like child marriage, abuse, exploitation, neglect, and violence.

If adolescents have any concerns, they can report them to various personnel, including management staff, welfare officers, line chowkidar, school/college teachers, Auxiliary Nurse Midwife (ANM), Accredited Social Health Activist (ASHA), Anganwadi Workers (AWW), Child Protection Committee, Police, 1098 ChildLine, and the District Administration. Efforts to establish and enhance referral mechanisms with governance structures at the village and district levels are ongoing.

24. Overview of the entity's material responsible business conduct issues : Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

In the last financial year, we adopted a consultative approach to arrive at our material issues. Through internal and external stakeholder consultations on ESG related challenges, we arrived at the following key priority areas based on stakeholder responses, sectoral and peer analysis, and alignment with Indian and global ESG standards. The Materiality section of the annual report provides more detail on the materiality approach, methods, and results. The annual report has also expanded the risk management, which covers ESG-related topics.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Consumer Connect	Opportunity, Risk	**Opportunity:** Ever since the pandemic, we have observed a drastic change in consumer behaviour globally. A shift is observed towards trusted brands and health and wellness focussed products. TCPL has identified opportunities in this situation and is positioning to leverage upcoming opportunities. **Risk:** Consumer preferences and our ability to adapt to changing trends influence the performance of our products.	We track consumer trends which propel our innovations • Deployment of a dedicated innovation funnel, to analyse the evolving changes in consumer preferences • With multiple launches/ extensions within key brands, the innovation pace was accelerated in the previous years. • Included the use of technology for project tracking and put in place a clearly defined NPD stage gate mechanism.	**Positive:** Consumer satisfaction and well-being is our prime focus. We develop products keeping the same in mind and believe this will enhance brand loyalty as well.

2	Access to nutrition	Opportunity	**Opportunity** Access to the right healthy products will help to a large extent in addressing the issues of malnutrition and eating right. **Risk** Social risks in the value chain	We have a dedicated sales and distribution network equipped to enhance the reach to Indian consumers in urban and rural areas. In addition, we always focus on creating affordable, healthy products accessible to all, safeguarding human rights in our value chain (E.g., extension of the Tata Code of Conduct and the Human Rights principles, ensuring minimum wages, avoidance of forced and child labour)	**Positive:** Reaching wider consumer segments through enhanced sales and distribution chains and stepping into D2C and e-commerce segments. With the above expansion, we ensure that our policies and good practices will create a positive impact across the product life cycle.
3	Product Stewardship	Opportunity, Risk	**Opportunity**: Safety issues, reputational damage, financial losses, and product recalls will arise due to poor quality products. Along with the new shift in choice of products, consumers are increasingly curious about the impacts of products at various lifecycle stages including packing material used and waste generated. **Risk :** Brand image and food safety issues can arise due to counterfeit products.	TCPL has established a company-wide quality assurance programme along with product testing and traceability. The suppliers associated with us are required to establish and adhere with clear and strict norms for raw material safety and quality. Residue testing is performed across all verified entities in all regions. Apart from this, we are working to develop sustainable packaging.	**Positive:** With the help of technology, enhancing product safety and quality can be enhanced and counterfeit products managed.
4	Circular Economy		**Opportunity:** With depleting natural resources and rising material costs, shifting to circular models is both cost effective and future-proof**.** **Risk:** No technology is available for 100% recycling and reuse of material. Due to non-scalability, the associated costs of transitioning to a circular economy are high.	We ensure that there is no compromise on product quality and safety as we remain committed to efficient resource consumption and optimized packaging. We are dealing with challenges such as cost, market performance, consumer protection, as well as water and waste management, hence we ensure that our packaging is fit-for-purpose and is made from low impact material, or recyclable material.	**Positive:** Creating a more resilient business through less dependence on virgin, non-renewable material and fresh water sources. **Negative:** Increased cost of recycling and recycled packaging

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1.	a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	https://www.tataconsumer.com/investors/policies								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	GRI standard	FSSC22000, Trustea Certification, ISO 9001, GRI standard	ISO 45001, SA8000, Trustea Certification, GRI standard	Trustea Certification, GRI standard	SA8000, UNICEF-Ethical Tea Partnership Program, GRI standard	ISO 14001, Rainforest Alliance Certifications, Trustea Certification, GRI standard	GRI standard	SA8000, UNICEF-Ethical Tea Partnership Program, GRI standard	Trustea Certification, GRI standard
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y

6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	At TCPL, every department/function establishes annual internal targets and goals that are linked to KRAs and the appraisal process. These targets are reviewed review of these targets happens on a monthly/quarterly basis, and updates for the same are discussed at Executive Committee meetings. We disclosed our ESG commitments in the reporting year (FY 23) this year in accordance with our strategy, and thus we will report on our progress towards meeting those commitments starting from the following year.
	Governance, leadership and oversight	
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:	
	Continuing our journey of enhancing sustainability, we have taken significant steps to improve our ESG disclosures and are committed to keeping our stakeholders updated about TCPL's ESG progress. We have made progress in implementing our sustainability strategy which we call 'For Better Living'. Bringing this strategy to life means that we aim to continually improve our performance on the strategy's four key pillars, namely, planet, sourcing, nutrition, and communities.	
	As part of our efforts to reduce our environmental footprint, we remain committed to water stewardship through our flagship initiative, Project Jalodari. We are also working to achieve net zero status and are systematically transitioning to a circular economy to ensure efficient resource use. All of our beverages manufacturing units are zero waste to landfill, and we are implementing the Extended Producer Responsibility (EPR) Plan to collect and recycle the equivalent of 100% of the packaging for our Beverages, Foods, and RTD divisions. TCPL is also formulating a strategy that which will help preserve biodiversity.	
	As consumers become more conscious about the environmental and social impact of the products that they use, we have prioritized traceability of our products and strive to ensure the sustainability of raw materials. While 100% of our salt is sustainably produced, collaborations with Trustea and Rainforest Alliance ensure that most of our tea is sustainably sourced. Human rights in our value chain is of high importance to us and is a requirement in our Supplier Code of Conduct. Additionally, SA 8000 norms are incorporated in the agreements we have with supply partners/ vendors.	
	In response to consumers' and investors' growing expectations of better nutrition and related information from food and beverage brands, we endeavour to deliver products that meet consumers' needs. We also assist them with making appropriate nutrition choices by making available accurate information on packaging and through other touchpoints such as social and mass media platforms, communication campaigns etc.	
	We are committed to ensuring a safe, inclusive, and rewarding work environment for our employees. We help build resilient communities and work with government and regulatory bodies to effect positive change among the wider community. We also endeavor to uphold the trust investors place in us, by ensuring high levels of transparency and excellence in corporate governance.	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr Sunil D'Souza Managing Director & CEO
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The Board's Corporate Social Responsibility & Sustainability Committee meets at least twice a year to review the Company's sustainability and CSR performance. Further, the Board, which meets at least four times per year, reviews the Company's Sustainability performance on a quarterly basis.

10. Details of Review of NGRBCs by the Company:

	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half-yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Corporate Social Responsibility & Sustainability Committee and Board									Half-yearly								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Corporate Social Responsibility & Sustainability Committee and Board									Half-yearly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*

Y* : Yes, British Standards Institution [BSI] has provided a limited assurance on GHG emissions and non-financial sustainability disclosures based on GRI Standards.

Also, limited assurance is being carried out by BSI for FY 23 for this BRSR document. Further, once every two years TCPL undergoes the Tata Business Excellence Model (TBEM) Assessment.

The Tata group created the TBEM matrix to provide strategic direction and drive business improvements. The business excellence assessment model, which aims to enable Tata group companies to capture the best global business processes and practices, provides Tata group companies with the inherent efficacy to evolve and keep pace with ever-changing business performance parameters. The main objectives of the TBEM assessment methodology are: increasing value for all stakeholders and contribute to market success; maximising enterprise-wide effectiveness, and capabilities; and providing organisational and personal learning.

All our ISO 14001 certified units have a site-level Environment, Health, and Safety Policy consistent with the Group Health, Safety, and Wellbeing Policy and the Sustainability and Corporate Social Responsibility Policy. The implementation of the Management System (both environmental and safety) is assured by half-yearly internal audits and annual external audits. Moreover, we have a dedicated team assisting units and offices with certification preparation and initiatives.

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
BOD	1	Anti-Bribery and Anti-Corruption, Gifts and Hospitality Policies	100%
Key Managerial Personnel	1	Anti-Bribery and Anti-Corruption, Gifts and Hospitality Policies	100 %
Employees other than BoD and KMPs Workers	193	TCOC – Awareness, Complaint Management Process and Consequence Management. POSH – POSH policy as laid by Govt of India as well as TCPL (Gender neutral). Awareness, Complaint management and Dos and Don'ts. E-learning module available on TCPL source on Anti Bribery and Anti-Corruption, Gifts and Hospitality Policies. *Face to face training given on Anti Bribery and Anti-Corruption, Gifts and Hospitality Policies.* Leadership Voyages: Covering the 6 strategic pillars of TCP. Financial Acumen for HR. Management trainees (Program 1. Getting in the Flow; Program 2. Gaining Momentum; Program 3: Final Transition). TMTC Open programs (such as Fundamentals of Data Analytics for Everyone, Mindful Leadership, Powering Team Collaboration, Art of Business Storytelling, Coachworks etc.). TMTC Open workshops: Learning Latitudes; Roadshow. P.A.C.E: Propel with Agility and Commercial Acumen (specifically for Sales TSEs and ASMs). S.O.A.R: First-time Manager Program Catalyst (Self-paced and VILTs): Agility, Commercial Acumen, Digital Transformation, Collaboration, Influence, Innovation, Purpose, Empathy, Design Thinking, Data Analytics and Project Management.	72% 100% 100% 97%
Workers	48	TCOC – Awareness, Complaint Management Process and Consequence Management. POSH – POSH policy as laid down by Govt of India as well as TCPL (Gender neutral). Awareness, Complaint Management and Dos and Don'ts.	98% 32%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding Fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed. **Not Applicable**

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   Yes, we have an Anti-Bribery and Anti-Corruption Policy in place. This policy is readily available and can be accessed through the following link: https://www.tataconsumer.com/sites/g/files/gfwrlq316/files/2021-10/anti-bribery-and-anti-corruption-policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY2023	FY 2022
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY2023	FY 2022
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. Not Applicable

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	FY 2023	FY 2022	Details of improvements in environmental and social impacts
R&D	38%	23%	Developing health & wellness related products, enable communication of benefits of these products objectively to consumers and creating sustainable packaging solutions. Actively investing in solar energy to fulfill its energy requirements.
Capex	11%	3%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?

   Yes, we have procedures in place for sustainable sourcing. In FY 22-23, 55% of the inputs were sourced sustainably.

   At TCPL, we are committed to sourcing of our tea, coffee, water and food offerings sustainably and ensuring that our products are produced in an economically, environmentally, and socially just manner. We are the founding member of Ethical Tea Partnership (ETP), a non-profit collaboration of tea companies dedicated to improving the lives of tea workers and their surroundings in order to create a thriving tea industry that is both socially and environmentally sustainable. Our mission is to enable sustainable growth across the tea supply chain — from crop to cup. We have made substantial progress in this respect.

   As a major step towards sustainable sourcing in our international business we have partnered with Rainforest Alliance, an international non-profit organisation that works to conserve biodiversity and ensure sustainable livelihoods while also assisting in the resolution of specific sustainability-related issues in the tea industry. Approximately all our Tetley Tea in the International business is 100% Rainforest Alliance certified.

   Moreover, we are the founding member of Trustea sustainability code and verification system for the tea sector in India. The Trustea programme has cumulatively verified more than 871 million kg till March 2023, which is over 65% of the total tea sold in the Indian market. Since inception, about 92,000 smallholder farmers have been verified, 6.6 lakh workers have been reached through Trustea and 55% of Tata Tea is Trustea verified.

   Because our pulses are unpolished, their natural goodness and nutritional value are preserved. Our spices are wholesome and contain all their essential oils, which are known to have a variety of health benefits. We also have a selection of organic pulses that are sourced from organic certified farms and grown without the use of chemical fertilisers or pesticides. Our Tata Sampann Organic range is certified in accordance with the National Programme for Organic Production (NPOP) in India and the National Organic Program (NOP USDA) in the United States.

   All our packaging vendors adhere to sustainable sourcing standards. The purchase order terms, and our contracts make it clear what we expect from vendors in terms of social, ethical, and environmental factors.

   In FY 22-23 we have sourced 55% of Trustea/Rain Forest Alliance certified tea in India.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   At our manufacturing units, we prioritize the safe and responsible disposal of waste, including both hazardous and non-hazardous materials. To ensure that our waste disposal practices are compliant with state regulations, we dispose our waste to authorized recyclers as identified by the State Pollution Control Boards. Our products being natural, we lay emphasis on reclaiming packaging material post-consumer use.

   Our adherence to the Extended Producer Responsibility (EPR) is absolute, and we collaborate with assigned waste recyclers to aid us in gathering, reprocessing, and disposing of waste substances. We have surpassed our EPR goal for this year by 42%.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Yes, Extended Producer Responsibility (EPR) is applicable to our activities. All beverage factories in India are now zero waste to landfill and all waste is disposed through authorized vendors who recycle or repurpose them to prevent them reaching landfills. 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.

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	1125	1125	100%	1125	100%	0	0%	1125	100%	0	0%
Female	179	179	100%	179	100%	179	100%	0	0%	179	100%
Total	1304	1304	100%	1304	100%	179	14%	1125	86%	179	14%
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

1. b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	1044	1044	100%	1044	100%	0	0%	0	0%	0	0%
Female	692	692	100%	692	100%	692	100%	0	0%	0	0%
Total	1736	1736	100%	1736	100%	692	40%	0	0%	0	0%
Other than Permanent Workers											
Male	1362	1362	100%	1248	92%	0	0%	0	0%	0	0%
Female	131	118	90%	100	76%	131	100%	0	0%	0	0%
Total	**1493**	**1480**	**99%**	**1348**	**90%**	**131**	**9%**	**0**	**0%**	**0**	**0%**

2. Details of retirement benefits

Benefits	FY 2023			FY 2022		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100%	94.7%	Yes	100%	88%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	5.3%	Yes	100%	12%	Yes
Others-Plantation Labour Act	100%	100%	Yes	100%	100%	Yes

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our Pullivasal Packeting centre in Munnar takes pride in creating an inclusive workplace by ensuring accessibility for people with disabilities. We have thoughtfully organised the layout of our plant and allotted responsibilities to persons with disabilities (PWD) to cater to the unique needs of each type of disability.

We prioritize the input of our employees in improving and managing mobility needs for individuals with disabilities. In addition to consultation, we have taken concrete actions such as planning and installing sidewalks with ramps and hand-rails for assistance. We have also ensured that the approach to our factory floor is level with the road to facilitate easy access for PWDs.

We have provided infrastructure support for individuals with visual disabilities, including a stand and special arrangements to facilitate system access and use. This allows users to zoom in and carry out their work efficiently.

Further, we have introduced gender-neutral washrooms at one of our facilities, thus providing a safe and inclusive space for all employees, regardless of their gender identity.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

   As an organisation, we are committed to providing equal opportunities to all employees and candidates for employment, in accordance with the Tata Code of Conduct (TCoC). We firmly believe in the principles of diversity and inclusion and do not discriminate against individuals based on factors such as race, caste, religion, color, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability, or any other category protected by applicable law. To further our commitment to diversity and inclusion, we are in the process of developing a separate policy to ensure that we maintain a fair and inclusive workplace for all employees. Our Tata Code of Conduct can be accessed through the following link: https://www.tataconsumer.com/sites/g/files/gfwrlq316/files/2021-05/tcoc-booklet-2015_0.pdf

5. Return to work and Retention rates of permanent employees that took parental leave.

	Permanent Employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	89%	-*	-*
Female	100%	67%	100%	100%
Total	100%	87%	100%	100%

* - Benefit not available.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.

   Yes, we have put in place a grievance redressal mechanism for all our employee and worker categories. We are committed to ensuring that all grievances are addressed promptly and effectively to maintain a productive and engaged workforce.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes, we have put in place a robust mechanism to ensure that any concerns are addressed promptly and effectively. All the employees including permanent employees and other than permanent, can raise their grievances either directly with their line manager or through our dedicated HR SPOC (Single Point of Contact). Once a grievance is raised, we work closely with the employee to understand the issue and identify potential solutions.
Other than Permanent Employees	
Permanent Workers	Yes, our grievance redressal mechanism includes a process for workers to raise their concerns or grievances through their Workmen Representatives/Unions. We also hold joint meetings with the Unions/Workmen Representatives to address any grievances raised and ensure that we provide timely feedback on the status of the grievance.
Other than Permanent Workers	Yes, to ensure that the concerns of workers who are employed through contractors are heard and addressed, we have put in place a grievance redressal mechanism specifically for them. Under this mechanism, contractors are able to raise grievances on behalf of their employees. We hold joint meetings with the contractors to discuss and address any concerns that are raised. We also require contractors to provide regular updates on the status of any grievances to ensure that all parties are aware of the progress being made.

For facilities where unions are not functional/available, an open-door policy is being followed. Employees are free to reach out to the floor supervisor (nominated and clearly communicated), or the welfare officer (nominated and clearly communicated) or directly to the unit head. Some of the facilities even have suggestion boxes where issues can be raised, and suggestions provided. Designated POSH officers are present for each unit and are trained and accessible to all employees and workers.

7. Membership of employees in association(s) or Unions recognised by the listed entity:

Category	FY 2023			FY 2022		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	**1304**	**0**	**0%**	**1170**	**0**	**0%**
- Male	1125	0	0%	1015	0	0%
- Female	179	0	0%	155	0	0%
Total Permanent Workers	**1736**	**1556**	**90%**	**1762**	**1762**	**100%**
- Male	1044	933	89%	1065	1065	100%
- Female	692	623	90%	697	697	100%

8. Details of training given to employees

Category	FY 2023					FY 2022				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees										
Male	1125	1125	100%	743	66%	1015	1015	100%	934	92%
Female	179	179	100%	134	75%	155	155	100%	150	97%
Total	1304	1304	100%	877	67%	1170	1170	100%	1084	93%
Permanent Workers										
Male	1044	1044	100%	457	43%	1065	1065	100%	469	44%
Female	692	692	100%	530	76%	697	697	100%	543	78%
Total	1736	1736	100%	987	56%	1762	1762	100%	1012	57%

Safety training – Induction training, mock drills and other capacity building activities are provided to 100% of employees, contractors and visitors.

9. Details of performance and career development reviews of employees:

100% of employees have received performance and career development reviews.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. The Company has deployed health and safety management system across all the sites and offices of Tata Consumer Products and in its exclusive third-party units.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

All potential work-related hazards are thoroughly evaluated and identified through Hazard Identification and Risk Assessment (HIRA). Control measures are then established and implemented to mitigate identified risks. The site risk register is regularly reviewed and updated to ensure ongoing safety.

For non-routine activities, a Permit to Work system is utilised to ensure that all potential hazards are identified and addressed prior to commencing work. This includes conducting both Job Safety Analysis (JSA) and Job Hazard Analysis (JHA) to identify and mitigate any potential risks.

To promote effective implementation of control measures, workers are provided with regular 'Safety talks' to communicate available control measures and ensure that all safety protocols are being followed.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, to foster a culture of safety and to proactively identify and address potential hazards, workers are encouraged to report any near misses, unsafe acts, or unsafe conditions. This not only increases their engagement with health and safety protocols, but also facilitates risk reduction through prompt rectification of identified issues.

Each facility has a Health & Safety (H&S) Committee that convenes on a regular basis (monthly or quarterly, depending on the type of facility) to discuss safety related matters. Safety representatives from the workforce are given the opportunity to provide formal feedback on all safety related issues during these meetings.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes / No)

Yes. TCP prioritises employee health and wellbeing by providing comprehensive medical coverage. In addition to a dedicated hospital in Munnar, employees at other locations are covered by medical insurance and/or ESI for themselves and their families.

To ensure consistency across all locations, TCP has undertaken various certifications and follows the Group policy towards employee safety and wellbeing.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023	FY 2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0.06
Total recordable work-related injuries	Employees	0	2
	Workers	0	3
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

1. Monthly safety visits (Safety Walk) by operations team across all the sites and scheduled Audits and Inspections to ensure effective implementation of Safety Management systems.
2. All actionable points are tracked through Corrective and Preventive Action (CAPA) /Corrective Action Report for closure and reviewed frequently.
3. Best practices are benchmarked and shared across the business as part of continual improvement.
4. Safety Alerts are shared with all operational units as part of horizontal deployment and cross-site learning.
5. Monthly Safety Snippets to disseminate information and enhance knowledge and culture relating to safety.

13. Number of Complaints on the following made by employees:

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NIL	0	0	NIL
Health & Safety	0	0	NIL	0	0	NIL

14. Assessments for the year:

Topics	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	61% of TCPL's operations were assessed for ISO 45001. All beverage units except two, including exclusive 3P Operations are 100% ISO 45001 certified. This has been possible with the standardisation of Standard Operating Procedures (SOPs) and Operational Control Procedures (OCPs) across all locations. These documents are maintained in a centralised portal that is easily accessible by all sites.
Working Conditions	TCPL has implemented process controls at 100% of its sites. These controls include various measures such as risk registers, Standard Operating Procedures (SOPs) and Operational Control Procedures (OCPs), checklists, manuals, review systems, and other related tools. To maintain the effectiveness of these measures, they are reviewed periodically to ensure adherence.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

In our operations, working at heights and electrical work are considered the two most significant risks. To mitigate these risks, we have implemented Standard Operating Procedures (SOPs), Tool Box Talks (TBTs). We also hold contractors accountable for their actions. By working closely with site and project teams, we have been able to improve awareness and create a safer work environment for height and electrical activities.

Throughout the year, there were no significant safety incidents; however, we conducted investigations and implemented corrective measures for minor incidents. After evaluating our health and safety procedures and work environment, we identified and resolved some concerns through corrective actions, which were tracked for closure and horizontal deployment across all locations using a CAPA tracker.

1. One of the significant risks identified for the year is related to electrical safety. We have conducted assessments and identified gaps. Accordingly corrective actions were taken to address and close them. In addition, we have implemented Standard Operating Procedures (SOPs) and Toolbox Talks (TBTs) to further improve electrical safety practices.
2. To mitigate the other significant risk identified relating to working at a height, we have implemented Standard Operating Procedures (SOPs) and Toolbox Talks (TBTs). Contractors have been held accountable for their actions in order to strengthen the process and reduce risks. Working closely with site and project teams, we have significantly improved awareness and created safer work environments for work carried out at heights. We conduct weekly meetings to discuss non / routine activities to be undertaken across sites and have ensured that the risks are identified and control measures are put in place before these activities are implemented.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholders are critical to our business operations and their interests have a key influence on our business strategy. Methods of stakeholder engagement include surveys (such as supplier, customer, employee surveys), workshops, online video calls, regular interactions with the CSR teams and impact assessments, periodic updates, investors meetings and calls, and interactions with team members.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Consumers	No	Focused Group Discussions, Digital Platforms, Market Research (TV commercials, newspaper ads and pamphlets are in the local language, where applicable)	Continuous	Meeting evolving consumer needs, delivering quality products, and expanding our consumer base are key to our success and growth Expectations they harbour: • A mix of tasty and healthy products • Convenience • Responsible and inclusive marketing • Sustainability credentials • Value for money
Employees	No	Company-wide employee engagement surveys, developed informative and upto-date employee communication channels, arranged regular interactions with the C-suite, Town halls, One-on-one performance reviews, Various learning and development initiatives (Worker level L&D initiatives are in the local language, where applicable)	Continuous	Our people, their ideas and their passion are the key forces that drive our company's trajectory forward. Their dedicated approach and winning mindset bring our ambitions to life Expectations they harbour: • Health, safety and wellbeing • Growth through learning and development opportunities • Sense of belonging and purpose • Diversity and inclusion
Communities	Yes	Community investment programmes like Early Childhood Development Programme, Project Jalodari, promoting special education and vocational skills for the differently abled, promoting gender equality and empowering women and adolescent girls, Supporting Cancer affected children, Rural Development • Rural Development programmes, affordable health care among others • Collaborations and partnerships with Ethical Tea Partnership, Trustea, India Plastics Pact • Volunteering activities (All our implementation partners are well versed in the local language of the region and engage with the beneficiaries in the same)	Continuous Annual Impact Assessment	The true mark of a successful business is 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. 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

Government	No	•	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 in expert knowledge and experience, empowering the marginalized and encouraging citizen engagement	Quarterly Bi-annual Annual	As a responsible corporate citizen, a symbiotic relationship with the government and regulatory bodies can go a long way in bringing about positive change in the larger community. Expectations they harbour: • Contribution to national economic and development priorities • Model Corporate Behaviour
Investors	No	•	Annual General Meeting Quarterly Earnings presentation and call • 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	Continuous	The support of our shareholders is crucial for continuous access to capital, ability to make progress on our strategy, and reach our objectives. Expectations they harbour: • Business strategy and execution against • Consistency in financial performance and returns • Robust information flow, transparency and appropriate disclosures • Sound corporate governance
Supply Chain Partners	No	•	Supplier reviews, audits and dialogues • Quality checks and adherence to policies	Continuous	Maintaining our relationships with farmers and suppliers of raw materials and indirect services are key to uninterrupted operations and delivery to our discerning consumers. Expectations they harbour: • Developing mutually beneficial partnerships • Collaborating to realize efficiencies • Fair contract and payment terms • Joint risk assessment and mitigation

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023			FY 2022		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (c)	No. of employees / workers covered (d)	% (D / C)
Employees						
Permanent	1304	937	72%	1170	1170	100%
Other than permanent	--	--	--	--	--	--
Total Employees	1304	937	72%	1170	1170	100%
Workers						
Permanent	1736	1697	97%	1762	1762	100%
Other than permanent	1493	1493	100%	1524	1524	100%
Total Workers	3229	3190	99%	3286	3286	100%

Note: Includes training covered under Tata Code of Conduct

2. Details of minimum wages paid to employees, in the following format:

All employees and workers (permanent and other than permanent) have been paid more than or equal to minimum wage in accordance with the laws of the land.

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)	Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)
Board of Directors (BoD)	8	1678.11@	1	80@
Key Managerial Personnel^	3*	290@	-	-
Employees other than BoD and KMP	1121	11.73#	180	20.24#
Workers	1046	2.75#	689	1.65#

*John Jacob retired as Chief Financial Officer w.e.f. May 31, 2022, and Sivakumar Sivasankaran was appointed as Chief Financial Officer w.e.f. June 1, 2022.
^ Excludes Key Managerial Personnel who are already covered under Board of Directors
@Represents total remuneration
#Represents median remuneration

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, our organization has both an Apex Human Rights Committee and a Business & Human Rights Working Committee which are responsible for dealing with human rights issues and their associated impacts. Tata Consumer Products regards the protection of human rights as an essential component of doing business. We are dedicated to upholding and protecting human rights. Our human rights policy is consistent with the Tata Code of Conduct and is aligned with the principles of the Universal Declaration of Human Rights; the ILO Declaration on Fundamental Principles and Rights at Work; and the United Nations Guiding Principles on Business and Human Rights. An Apex Human Rights Committee and a Business & Human Rights Working Committee have been formed in accordance with the Policy. The Apex Committee, chaired by the MD & CEO, is responsible for

ensuring policy compliance and integrating it into the Company's strategy. It has well-defined responsibilities, key metrics, and a governance structure that cascades down throughout the organization. The Working Group oversees executing our sustainability plan by supervising the activities of various working groups and ensure that all actions align with our Business and Human Rights (BHR) policy across the organization. The Global Legal Counsel chairs the BHR policy group.

https://www.tataconsumer.com/sites/g/files/gfwrlq316/files/2021-10/business-and-human-rights-policy.pdf

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Tata Consumer Products Ltd. has implemented the Tata Code of Conduct, which outlines ethical business practices. All stakeholders, including employees and partners, are required to report any suspected or actual breaches of the Code, company policies, or the law. To facilitate this, the Company has set up an Ethics & Compliance Helpline as a confidential channel for reporting concerns. We are currently developing a remediation framework that aligns with our Business and Human Rights Policy. The primary objective of this framework is threefold:

- To receive and address any concerns, complaints, notices of emerging conflicts, or grievances related to the Business and Human Rights Policy.
- To facilitate resolution of any grievances arising between the Company and stakeholders in the context of company operations.
- To operate transparently, collaboratively, and in a flexible manner to promote problem-solving and consensus-building.

We plan to deploy this framework soon.

Note: Further details provided in General Disclosure, Indicator no.23.

6. Number of Complaints on the following made by employees:

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	1	NIL	2	1	NIL
Discrimination at workplace	0	0	NIL	0	0	NIL
Child Labour	0	0	NIL	0	0	NIL
Forced Labour/Involuntary Labour	0	0	NIL	0	0	NIL
Wages	0	0	NIL	0	0	NIL
Other human rights related issues	0	0	NIL	0	0	NIL

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We place great emphasis on ensuring that members of our POSH (Prevention of Sexual Harassment) and Ethics Committees are well-informed and educated on the importance of confidentiality. We have a zero-tolerance policy towards any form of retaliation against individuals who report legitimate concerns, and anyone found to be targeting such individuals will be subject to disciplinary action. Our POSH and Ethics Committee members receive training and sensitization to prevent retaliation and reassure complainants that they can report concerns without fear. We also offer complainants the option to change teams, locations or even take extended leave upon request.

Please refer to grievance redressal for all stakeholders provided in General Disclosure, Indicator no.23.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

   Yes. We have incorporated a Human Rights clause in all our supplier agreements to address issues such as forced labour, child labour, discrimination, working hours, wages, and disciplinary actions. Our vendors are expected to have ethical and human rights policies in place and appropriate procedures for handling breaches of these policies. Additionally, the Supplier Code of Conduct is a mandatory requirement for all our suppliers and forms an integral part of their contract. The Supplier Code covers Human Rights, Labour Standards, and Workplace Standards.

   Please refer to page 4 of the Code on the link below:

   https://www.tataconsumer.com/sites/g/files/gfwrlq316/files/2022-07/Supplier-Code-of-Conduct%20June%202022.pdf

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	6%
Forced/involuntary labour	6%
Sexual harassment	6%
Discrimination at workplace	6%
Wages	6%
Others – please specify	--

   Note: Though we are not doing any assessment by entity or statutory authorities or third parties, all our locations on monthly basis submit Compliance Certificate which is documented in Legatix.

   Additionally, our Pullivasal and Tetley Cochin units are assessed as part of SA8000 certification.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    There were no significant risks / concerns arising from the above assessments.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Note: *We are consistently upgrading our data capturing mechanisms in order to make reliable and transparent Sustainability disclosures. Owing to this, we have revisited some of our previous recorded performance numbers to present more accurate position. Accordingly, we have revised some data points in water, energy and GHG performance for FY22 to reflect these modifications. The figures for FY22 appearing in this report may be considered the most updated and accurate representation for the said year for TCPL India operation boundary.*

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023	FY 2022
Total electricity consumption (in GJ)	78691	78701
Total fuel consumption (in GJ)	249074	270990
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C) excluding aux consumption (in GJ)	327765	349691
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	38.39	44.08

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, British Standards Institution (BSI) has conducted an independent assurance.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023 (Current FY)	FY 2022 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,76,991	1,76,714
(ii) Groundwater	96,799	78,569
(iii) Third party water (Municipal Water Supply)	17,568	15,550
(iv) Seawater / desalinated water	0	0
(v) Others (Rainwater Harvesting structures)	4,820	3,750
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,96,178	2,74,583
Total volume of water consumption (in kilolitres)	2,95,162	2,42,406
Water intensity per rupee of turnover (Water consumed KL / turnover)	34.57	30.56

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, British Standards Institution (BSI) has conducted an independent assurance.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No. Wastewater generated from the manufacturing units is treated in the in-house sewage treatment plants (STPs) and the recycled water is used for irrigation and landscaping purposes.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023	FY 2022
NOx	MT	1.49	9.61
Sox	MT	0.57	0.40
Particulate matter (PM)	MT	2.70	16.69
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, British Standards Institution (BSI) has conducted an independent assurance.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format

Parameter	Unit	FY 2023	FY 2022
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	6,158	7,492
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	15,350	14,794
Total Scope 1 and Scope 2 emissions per rupee of turnover	Tonne CO2 per INR crores	2.52	2.81
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NIL	NIL	NIL

Scope 2 emissions – CO_2e for RE exported to grid is considered "0".

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, British Standards Institution (BSI) has conducted an independent assurance.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The Company has a strong focus on utilising renewable energy sources, including the implementation of rooftop solar and the transition to biomass-based boilers.

Moreover, TCPL runs an employee afforestation programme through which trees are planted to commemorate birthdays. Between April 1st, 2022, and March 31st, 2023, a total of 1,921 trees have been planted for Tigers in the Sundarbans National Park, West Bengal, India.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023	FY 2022
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1112.31	1379.60
E-waste (B)	0.31	0.11
Bio-medical waste (C)	3.95	20.18
Construction and demolition waste (D)	0.00	0.00
Battery waste (E)	0.13	0.06
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	163.42	435.06
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	2163.34	2574.85
Total (A + B + C + D + E + F + G + H)	**3443.46**	**4409.93**

Parameter	FY 2023	FY 2022
Total Waste generated (in metric tonnes)		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	3,054.57	4,385
(ii) Re-used	340.73	0.08
(iii) Other recovery operations	0	0
Total	**3,395.30**	**4,385.15**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	4.01	6.66
(ii) Landfilling	43.25	15.30
(iii) Other disposal operations	0	1.98
Total	**47.25**	**23.93**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, British Standards Institution (BSI) has conducted an independent assurance.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

   We implement the 3Rs approach - reduce, reuse, and recycle - for effective waste management at all our facilities. Furthermore, we have eliminated the use of hazardous and toxic chemicals in both our products and processes.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
Yes, Company is compliant with all the applicable laws.				

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. a. Number of affiliations with trade and industry chambers / associations: 12 (twelve)

   b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers associations (State/National)
1	Federation of India Chambers of Commerce and Industry (FICCI)	National
2	Federation of All India Tea Traders Association	National
3	Confederation of Indian Industries (CII)	National
4	PHD Chamber of Commerce and Industry (PHDCCI)	National
5	Indian Tea Association – Kolkata	National
6	Bombay Chamber of Commerce	State
7	The Bengal Chamber of Commerce & Industry	State
8	Bangalore Chamber of Industry and Commerce	State
9	Calcutta Tea Traders Association	State
10	Kerala State Productivity Council	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	NIL	

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
			Not Applicable		

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
				Not Applicable		

3. Describe the mechanisms to receive and redress grievances of the community.

   We have a grievance redressal mechanism which covers all our stakeholders. Active engagement with the community and stakeholders requires an effective grievance redressal system that includes feedback loops and conflict resolution mechanisms. Our 24x7 grievance cell allows beneficiaries and affected community members

to seek prompt redressal. Additionally, we have an actionable internal structure in place to ensure time-bound resolution of issues, complaints, and grievances.

Please refer General Disclosures, indicator no. 23 for details.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023	FY 2022
Directly sourced from MSMEs / small producers	50.1%	31.7%
Sourced directly from within the district and neighbouring districts	25.1%	19.7%

Note: Packaging material sourcing is considered.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Customers have the option to reach us through a toll-free number, email us at care@tataconsumer.com, or send us a physical letter. Our Customer Care (CC) team will engage with the customer to collect the necessary details regarding the complaint, such as the product, SKU, and nature of the issue. Once complete details are received, the complaint will be docketed in our system (Salesforce). Within 48 hours of docketing, our CC team will send a replacement product to the customer via authorized courier. The complaint sample will be collected from the customer and sent to our Bangalore office through a TCP authorized courier for investigation. If the complaint is deemed genuine, it will be forwarded to the concerned department/plant for root cause analysis (RCA). The concerned team will submit their findings, along with an action plan to prevent the recurrence of identical complaints.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2023 (Current FY)			FY 2022 (Previous FY)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NA	NA	NA	NA	NA	NA
Advertising	NA	NA	NA	NA	NA	NA
Cyber-security	NA	NA	NA	NA	NA	NA
Delivery of essential services	NA	NA	NA	NA	NA	NA
Restrictive Trade Practices	NA	NA	NA	NA	NA	NA
Unfair Trade Practices	NA	NA	NA	NA	NA	NA

	FY 2023 (Current FY)			FY 2022 (Previous FY)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Other (Product related)	1994	71	We are currently in the process of evaluating the pending complaints; Appropriate action will be taken in case anyone found guilty.	2051	0	All issues are addressed

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes, our company has an Information Security Policy which is accessible to all employees through the intranet. This policy covers security concerns in both business processes and organisational aspects. It is designed to establish basic guidelines and regulations for accessing, using, classifying, and disposing of information assets belonging to Tata Consumer Products Limited. The policy is managed by the Office of the CIO (GIS) of the Company and applies to all authorized users who have access to any information assets belonging to Tata Consumer Products, regardless of the geographic location of the user or the Company's operation.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   Since product related consumer complaints are unique and varies case to case, accordingly corrective actions are taken. There was no penalty or action taken by regulatory authorities.

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INDEPENDENT ASSURANCE

OPINION STATEMENT

Statement No: **BRSR-IND-738378-2**

Tata Consumer Products Limited (TCPL) Business Responsibility and Sustainability Report (BRSR) 2022-23

The British Standards Institution is independent to TCPL and has no financial interest in the operation of TCPL other than for the assessment and assurance of this report.

This independent assurance opinion statement has been prepared for TCPL only for the purposes of assuring its statements relating to its BRSR report, more particularly described in the Scope, below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read. This statement is intended to be used by stakeholders & management of TCPL.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by TCPL. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to TCPL only.

Scope

The scope of engagement agreed upon with TCPL includes the following:

1. The assurance covers the TCPL's BRSR Report 2022-23, prepared "in accordance" with BRSR reporting framework provided by 'Securities and Exchange Board of India' (SEBI) and focuses on systems and activities of TCPL covering the operations of 33 sites (units) of Indian operations along with their corporate activities. It includes the tea packaging units in India within the

operation control of TCPL, one water manufacturing unit, 2 tea plantation estates and one spice and one pulse packaging units owned/controlled by TCPL. Those salt and ready-mix beverage manufacturing units which act as supplier of TCPL are not included in the boundary.

2. The reporting period is 1st April 2022 to 31st March 2023.
3. The AA1000 Assurance Standard, AA1000AS v3, Type 1 moderate level engagement evaluates the nature and extent of TCPL's adherence to all four AA1000 AccountAbility Principles: Inclusivity, Materiality, Responsiveness and Impact. The specified sustainability performance information/data disclosed in the report has been evaluated.

Opinion Statement

Our work was carried out by a team of BRSR Report assurors in accordance with the AA1000 Assurance standard, AA1000AS v3 and BRSR reporting framework and guidance provided by SEBI. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that TCPL's description of their self-declaration of compliance with the BRSR reporting framework were fairly stated.

We conclude that the TCPL's BRSR report 2022-23 review provides a fair view of the TCPL's programmes and performances against the essential indicators for the nine principles as per BRSR framework during the FY 2022-23. We believe that the 2022-23 economic, social and environment performance disclosures against the essential indicators are fairly represented. The sustainability performance disclosed through the three sections of BRSR report demonstrate TCPL's efforts recognized by its stakeholders.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- A top-level review of issues raised by external parties that could be relevant to TCPL's policies to provide a check on the appropriateness of statements made in the report,
- Discussion with senior executives and their external consultant on TCPL's approach and methodology of collection and evaluation of stakeholder engagement. We had no direct contact with external stakeholders.
- Interview with staff and authorities involved in sustainability management, report preparation and provision of report information were carried out,
- Review of key organizational developments,

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- Review of supporting evidence for claims made in the reports,
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality and Responsiveness as described in the AA1000 AccountAbility Principles Standard v3.
- A sample-based assessment of the reliability and quality of information as company's performance provided in the BRSR Report

Conclusions

A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality Responsiveness and Impact and the essential indicators of 9 principles of BRSR reporting framework including their management processes is set out below:

Inclusivity

TCPL is seeking the engagement of its stakeholders through numerous channels such as Meetings with regulators, business partners, suppliers, investors and employees along with feedback processes from customers, and submission of various reports to the relevant stakeholders. The process of stakeholder engagement clearly addresses the various types of stakeholders involved, their modes of engagement together with their frequencies of interaction. Stakeholder interaction exercise has been conducted across own operations covering all management levels to identify and understand their concerns among the identified universe of material topics.

Tata Consumer Products Limited is a company in India that specializes in processing and blending of tea including the manufacture of instant tea, trading of coffee products, manufacture of mineral water, trading of Salt, manufacture of food ingredients and sweeteners wholesale of pulses and spices. They avail third party services in manufacturing some of their food products. The BRSR report cover all those activities where TCPL has direct operational control. It covers all the tea and coffee related products mentioned above and part of the salt, spices and other food gradients.

In our professional opinion, the report covers the TCPL's inclusivity issues that demonstrates participation of stakeholders in developing and achieving an accountable and essential indicator prescribed by SEBI in the framework of reporting.

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Materiality

TCPL publishes sustainability information that enables its stakeholders to make informed judgments about the company's management and performance. The present sustainability report addresses the material topics that have high and very high impact on both TCPL's business as well as stakeholders.

In our professional opinion the report covers the essential indicators prescribed by SEBI in the framework of BRSR reporting.

Responsiveness

TCPL has implemented the practice to respond to the expectations and perceptions of its stakeholders. Feedback from all the internal stakeholder representatives were collected along with few selected external stakeholders.

BRSR report is also a response to the regulatory body requirement.

In our professional opinion nothing has come to our attention to suggest that the responses related to identified material topics are not adequately represented in the Report.

Impact

TCPL has also demonstrated that adequate systems are in place to monitor, measure and be accountable for their actions that affect the economy, the environment, society, stakeholders and the organization itself.

Competency and Independence

The assurance team was composed of Lead auditors experienced in industrial sector, and trained in a range of sustainability, environmental and social standards including GRI Standard, AA1000, ISO10002, ISO 14001, ISO 45001, ISO 14064, ISO 50001 and ISO 9001, etc. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

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Assurance Level

The type 1 moderate level of assurance provided is in accordance with AA1000 Assurance standard, AA1000AS, v3 in our review as defined by the scope and methodology described in this statement.

Responsibility

It is the responsibility of TCPL's senior management to ensure the information presented in the BRSR Report is accurate. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

BRSR-reporting

TCPL provided us with their self-declaration of compliance to BRSR reporting framework requirements as prescribed by SEBI and the reporting is done mainly for essential indicators for all the 9 principles stated below:

Principle 1: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Principle 5: Businesses should respect and promote human rights

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Principle 8: Businesses should promote inclusive growth and equitable development

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Based on our verification review, we are able to confirm that the non-financial related general disclosures including the management and process disclosures along with disclosures for essential indicators for all the 9 principles are reported in accordance with the BRSR framework and the guidance provided by SEBI for BRSR reporting.

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Limitations of the engagement

The assurance scope excludes: (a) Data and information outside the defined reporting period (April 1, 2022, to March 31, 2023) and (b) Review of the financial performance indicators' included in the Report which as stated by the company are derived from the Company's audited financial records

In our professional opinion the self-declaration covers TCPL's all social responsibility and sustainability issues. On the basis of the verification undertaken, nothing has come to our attention to suggest that the Report does not properly describe essential disclosures as stipulated by SEBI in the BRSR reporting framework.

For and on behalf of BSI:

Kumaraswamy Chandrashekara
Head – System Certification Operations. BSI India
New Delhi, India

25 April 2023

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Independent Auditor's Report

TO THE MEMBERS OF TATA CONSUMER PRODUCTS LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of Tata Consumer Products Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	**Impairment of investments in an associate** During the current financial year, an associate has incurred significant losses as it has not been able to recover increase in input costs through increased prices. This has triggered an impairment assessment of carrying value of investments of ₹ 333.85 crore (equity shares ₹82.08 crore and preference shares ₹251.77 crore) in the associate in standalone financial statements of the Company. The Company also engaged a valuation expert to evaluate the recoverable value of the entity through sale of its assets.	Besides obtaining an understanding of Management's processes and controls with regard to testing the investments for impairment our procedures included the following: a) We understood the methodology applied by Management in performing its impairment test for the investments at fair value and cost and walked through the controls over the process. b) We challenged the assumptions made by Management for the input data used by Management through discussions, comparisons to industry peers and other available independent external data sources. We also performed sensitivity analysis on the key assumptions.

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

   e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statement.

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

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its

directors during the year is in accordance with the provisions of section 197 of the Act.

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

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

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

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

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

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

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

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

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

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

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

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

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

Place: Mumbai
Date: April 25, 2023

Annexure "A" to the Independent Auditor's Report

(REFERRED TO IN PARAGRAPH 1(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

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

We have audited the internal financial controls with reference to Standalone Financial Statements of Tata Consumer Products Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

disposition of the company's assets that could have a material effect on the financial statements.

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

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place: Mumbai
Date: April 25, 2023

Annexure "B" to the Independent Auditor's Report

(REFERRED TO IN PARAGRAPH 2 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

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

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and capital work-in-progress and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment and capital work-in-progress to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has made investments in, and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

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

₹ crore

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

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

b) The investments made, and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3 (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie,* the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ Crores)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals), Kochi	2004-05, 2007-08 and 2008-09	2.10
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal, New Delhi	2009-10	0.01
Central Sales Tax Act, 1956	Sales Tax	Additional Commissioner (Appeals) – Kolkata	2017-18	0.07
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	Madras High Court	1998-99 to 2006-07	0.57
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner Indore, Madhya Pradesh	2011-12 & 2013-14	1.32
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner Appeals, Coimbatore	2012-13	0.05
West Bengal Value Added Tax Act, 2003	West Bengal Value Added Tax	Additional Commissioner (Appeals) – Kolkata	2017-18	1.14
West Bengal Value Added Tax Act, 2003	West Bengal Value Added Tax	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata	2007-08 and 2008-09	1.36
Goa Value Added Tax Act, 2005	Goa Value Added Tax	Commissioner of Commercial Tax, Goa	2006-07	0.01
Madhya Pradesh Entry Tax Act, 1976	Entry Tax	The Supreme Court of India	2011-12	0.82
Madhya Pradesh Entry Tax Act, 1976	Entry Tax	The High Court of Madhya Pradesh	2010-11	2.06
Finance Act, 1994	Service Tax	Commissioner Appeals, Bangalore	April 15 to June 17	0.04
Finance Act, 1994	Service Tax	Custom Excise and Service Tax Appellate Tribunal, Kolkata	2005-06	1.46
Bihar VAT Act, 2003	Bihar Value Added Tax	Commissioner Appeals, Patna	2016-17	0.03

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) a) In our opinion, the Company has not defaulted in repayment of loans or borrowings, or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3 (ix)(c) of the Order is not applicable.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

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

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

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

b) During the year the Company has not made any preferential allotment or private placement

of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, while determining the nature, timing and extent of our audit procedures.

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

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.

(xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable.

b) There are 5 Core Investment Companies ("CIC"s) in the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) that are registered with the Reserve Bank of India ("RBI") and 1 CIC which is not required to be registered with the RBI.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility ("CSR") and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Act, or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3 (xx) of the Order is not applicable for the year.

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

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

Place: Mumbai
Date: April 25, 2023

Balance Sheet

as at March 31, 2023

Rs. in Crores

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

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

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

K P Krishnan
Director
(DIN 01099097)

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

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Statement of Profit and Loss

for the period ended March 31, 2023

Rs. in Crores

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

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

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

K P Krishnan
Director
(DIN 01099097)

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

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Statement of Changes in Equity

for the year ended March 31,2023

Equity Share Capital and Other Equity (Refer Note 13)

Rs. in Crores

Particulars	Equity Share Capital	Reserves and Surplus							Other Comprehensive Income		Total Other Equity
		Capital Reserve	Securities Premium	Contingency Reserve	Revaluation Reserve	General Reserve	Share Based Payments Reserve	Retained Earnings	Effective portion of cash flow hedge	Fair Value gain/(loss) on Equity Instruments	
Balance as at 1 April, 2021	**92.16**	**15.79**	**6430.87**	**1.00**	**21.86**	**1143.31**	**-**	**3502.88**	**0.83**	**15.40**	**11131.94**
Profit for the year								885.75			**885.75**
Other Comprehensive Income								22.56	(1.24)	3.51	**24.83**
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**908.31**	**(1.24)**	**3.51**	**910.58**
Share - based payments (Refer Note 24)							0.46				**0.46**
Transaction with owners in their capacity as owners:											
Dividends								(373.23)			**(373.23)**
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income								0.80		(0.80)	**-**
Balance as at 31 March, 2022	**92.16**	**15.79**	**6430.87**	**1.00**	**21.86**	**1143.31**	**0.46**	**4038.76**	**(0.41)**	**18.11**	**11669.75**
Profit for the year								950.07			**950.07**
Other Comprehensive Income								13.76	0.20	10.02	**23.98**
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**963.83**	**0.20**	**10.02**	**974.05**
Shares issued during the year (Refer Note 40B)	0.74		570.06								**570.06**
Share - based payments (Refer Note 24)							4.04				**4.04**
Transaction with owners in their capacity as owners:											
Dividends								(557.54)			**(557.54)**
Transfer to Reserves											**-**
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income								2.88		(2.88)	**-**
Balance as at 31 March, 2023	**92.90**	**15.79**	**7000.93**	**1.00**	**21.86**	**1143.31**	**4.50**	**4447.93**	**(0.21)**	**25.25**	**12660.36**

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

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

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

Sivakumar Sivasankaran
Chief Financial Officer

K P Krishnan
Director
(DIN 01099097)

L.Krishnakumar
Executive Director
(DIN 00423616)

Neelabja Chakrabarty
Company Secretary

Statement of Cash Flow

for the year ended March 31, 2023

Rs. in Crores

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

Statement of Cash Flow

for the year ended March 31, 2023

Rs. in Crores

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

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
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Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Notes

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

1. GENERAL INFORMATION

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

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

The financial statements for the year ended March 31, 2023 were approved for issue by Company's Board of Directors on April 25, 2023.

2. PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

2.1 BASIS OF PREPARATION AND MEASUREMENT

(a) Basis of preparation

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

(b) Basis of measurement

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

2.2 SIGNIFICANT ACCOUNTING POLICIES

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

(a) Business Combinations

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

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

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

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

Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred by the Company is recognised at fair value at

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

(b) Property, Plant and Equipment

i) Recognition and measurement:

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

ii) Depreciation:

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

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

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

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

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

(c) Biological Assets

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

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

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

Notes

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

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

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

(d) Investment Property

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

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

(e) Intangible Assets

i) Goodwill

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

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

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

ii) Brands and Trademarks

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

The useful lives of brands/trademarks are assessed to be either finite or indefinite. The assessment includes whether the

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

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

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

iii) Customer relationships

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

iv) Distribution Network

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

v) Patent / knowhow

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

vi) Computer software/ Website

Software development costs are expensed unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to develop and sell or use the software and the costs can be measured reliably. Directly attributable costs that are capitalised as part of the software product include the software development cost, related employee costs and an appropriate portion of relevant overheads. Other expenditure that do not meet these criteria are recognised as an expense as incurred, developmental costs previously recognised as an expense are not recognised as an asset in a subsequent period. The cost incurred for separate acquisition for website for Company's own use is capitalised in the books of accounts of the Company. In case of internally generated website, the cost is capitalised only if the future economic benefits are expected to flow to the entity and if the asset can be controlled by entity as a result of past events.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which range between 3 to 8 years. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and

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bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 8 years. Website costs are amortised over their estimated useful lives of 5 years.

vii) Research and Development

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

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

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

(f) Impairment of tangible and intangible assets

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

(g) Assets held for sale and disposal groups

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

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

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

(h) Financial Instruments

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

Financial assets

Initial recognition and measurement

At initial recognition, the Company measures a financial assets at its fair value and in the case of financial assets not recorded at fair value through profit or loss at transaction costs that are attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss is expensed in the Statement of Profit or Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Investments in Subsidiaries, Associates and Joint Venture:

Investments in Subsidiaries, Associates and Joint Venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries,

associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Subsequent measurement

Debt Instruments:

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

i) **Financial assets at amortised cost-** Assets that are held for collection of contractual cash flows on specified dates where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables and Loans.

ii) **Financial assets at fair value through other comprehensive income (FVTOCI) –** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represents solely payments of principal and interest, are on specified dates are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income from these financial assets is included in finance income using the effective interest rate method and impairment losses, if any are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

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

Equity Instruments

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

Derecognition

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

Impairment of financial assets

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

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Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Derecognition

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

Derivative financial instruments and hedging activities

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

The Company designates certain derivatives as either:

(a) hedges of the fair value of recognised assets or liabilities (fair value hedge); or

(b) hedges of a particular risk associated with a firm commitment or a highly probable forecasted transaction (cash flow hedge);

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

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

(a) Fair value hedge

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

(b) Cash flow hedge

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

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

When a hedging instrument expires or is swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or

loss in other equity remains there and is reclassified to statement of profit and loss when the forecasted cash flows affect profit or loss.

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

Fair value measurement

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

i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.

ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

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

Offsetting Instruments

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

Interest and dividend income

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

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

(i) Inventories

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

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

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

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(j) Employee Benefits

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

i) Post retirement employee benefits:

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

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

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

ii) Other employee benefits:

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

iii) Employee termination benefits:

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

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of "Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets" and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(k) Share based payment

The Company recognises compensation expense relating to share based payments in accordance with Ind AS 102-Share based Payment. For share entitlement granted by the Company to its employees, the estimated fair

value as determined on the date of grant, is charged to the Statement of Profit and Loss on a straight line basis over the vesting period and assessment of performance conditions if any, with a corresponding increase in equity.

(l) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

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

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

(m) Income Tax

i) Current Income Tax:

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

ii) Deferred Tax:

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

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

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

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

(n) Foreign currency and translations

i) Functional and presentation currency

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

ii) Foreign currency transactions and balances

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

(o) Revenue from contracts with customer

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

Revenue is measured based on transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of the goods and services to a customer is based on the price specified in the contract and is net of variable consideration on account of estimated sales incentives / discounts offered by the Company. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

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

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

(p) Government Grant

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

(q) Leases

As a lessee

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

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

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

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

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

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

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

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

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

As a lessor

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

(r) Borrowing Costs

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

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

(s) Exceptional Items

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

(t) Earnings per share

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

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or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held and considering the effect of all dilutive potential ordinary shares.

(u) Segment Reporting

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

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

(v) Cash and Cash equivalents

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

(w) Events after the reporting period

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

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

2.3 KEY ACCOUNTING JUDGEMENT, ESTIMATES AND ASSUMPTIONS

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

The areas involving critical estimates or judgements are:

a) Goodwill and Intangibles

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

b) Depreciation and amortisation

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors

and may result in changes in the estimated useful life and in the depreciation and amortisation charges. (Refer Note 3, 4 and 5)

c) Employee Benefits

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

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of Government securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions. (Refer Note 39)

d) Fair value of derivatives and other financial instruments

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

2.4 RECENT ACCOUNTING PRONOUNCEMENTS

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

Ind AS 1 – Presentation of Financial Statements

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

Ind AS 12 – Income Taxes

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

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

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

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3. PROPERTY, PLANT AND EQUIPMENT

Rs. in Crores

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

1) Certain Plantation land meant for usage as tea plantations and for ancillary activities has been leased by the Company to its associate company Kanan Devan Hills Plantation Company Private Limited for a period of 30 years as part of the restructure in 2005, of its South India Plantation Operation.

2) Cost of Buildings include Rs. 5.90 Crores (Rs 5.90 Crores) represented by shares in Co-operative Housing Societies / a Company.

3) (@) Includes amount of Rs. 1.26 Crores (1.26 Crores), Rs.0.62 Crores (Rs. 0.62 Crores), Rs. 0.08 Crores (Rs.0.08 crores), respectively, jointly owned /held with a subsidiary company.

4) Land includes leasehold land amounting to Rs. 0.17 Crores (Rs. 0.17 Crores).

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

Rs. in Crores

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
As at March 31, 2023	13.89	-	-	-	13.89
As at March 31, 2022	2.58	-	-	-	2.58

Notes

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

4. RIGHT OF USE ASSETS

Rs. in Crores

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

5. GOODWILL AND OTHER INTANGIBLE ASSETS

Rs. in Crores

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

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

Notes

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

Intangible asset under development - Ageing schedule:

Rs. in Crores

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
As at March 31, 2023	8.45	-	-	-	8.45
As at March 31, 2022	37.18	-	-	-	37.18

Impairment of Goodwill and intangible assets with indefinite useful life

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

Rs in Crores

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

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

Rs in Crores

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

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

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

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

Other key assumptions applied in determining value in use are:

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

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

	Pre Tax Discount rate	Long Term Growth Rate
India Branded Business	15.95%	6.00%

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

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

Impairment charge

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

Sensitivity Analysis

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

6. INVESTMENTS

Rs in Crores

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

Rs in Crores

	2023	2022
Market Value of Quoted Investments	2236.20	2345.86
Aggregate amount of Unquoted Investments	4648.47	3344.28
Aggregate amount of Quoted Investments	187.17	181.42
Aggregate Amount of Impairment in Value of Investments	0.22	0.22

Quoted Equity Instruments

Carried at fair value through Other Comprehensive Income:

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
Tata Investment Corporation Ltd	Rs. 10	146872	146872	25.66	19.91
SBI Home Finance Ltd. (under liquidation) - (Refer foot note i)	Rs. 10	100000	100000	-	-
				25.66	**19.91**

Carried at Cost:

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

Notes

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

Unquoted Equity Instruments

Carried at fair value through Other Comprehensive Income:

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
Tata Sons Pvt. Ltd. (Refer footnote b)	Rs. 1000	1755	1755	9.75	9.75
Tata Capital Ltd.	Rs. 10	613598	613598	8.29	3.07
Tata Services Ltd.	Rs. 1000	475	475	0.05	0.05
Tata Industries Ltd. (Refer footnote b)	Rs. 100	6519441	6519441	115.82	115.82
Taj Air Ltd.	Rs. 10	4200000	4200000	1.44	1.22
Anamallais Ropeways Company Limited (Refer foot note i)	Rs. 100	2092	2092	-	-
ABC Tea Workers Welfare Services	Rs. 10	20000	20000	0.02	0.02
Assam Hospitals Ltd	Rs. 10	0	200000	-	2.80
The Valparai Co-operative Wholesale Stores Ltd (Refer foot note i)	Rs. 10	350	350	-	-
Suryakiran Apartment Services Private Ltd (Refer footnote f)	Rs. 10	2146	2146	0.00	0.00
Jalpaiguri Club Ltd. (Cost Re. 1) (Refer footnote f)	Rs. 10	60	60	0.00	0.00
GNRC Ltd	Rs. 10	50000	50000	0.59	0.25
IFCI Venture Capital Funds Ltd	Rs. 10	250000	250000	0.58	1.05
Ritspin Synthetics Ltd (Refer foot note i)	Rs. 10	100000	100000	-	-
TEASERVE (Refer footnote f)	Rs 5000	1	1	0.00	0.00
(The Tamil Nadu Tea Manufacturers' Service Industrial Co-operative Society Ltd)					
				136.54	**134.03**

Unquoted Equity Instruments

Carried at cost

		Face Value	Nos.		Rs. in Crores	
			2023	2022	2023	2022
Investment in Subsidiaries:						
Tata Tea Extractions Inc	US$	1	14000000	14000000	59.80	59.80
Tata Consumer Products UK Group Limited (Refer footnote k)	GBP	1	94538083	70666290	1074.39	500.71
Tata Consumer Products Capital Limited	GBP	1	89606732	89606732	763.89	763.89
Consolidated Coffee Inc.	US$	0.01	199	199	92.49	92.49
Tata Tea Holdings Private Limited	Rs.	10	50000	50000	0.05	0.05
NourishCo Beverages Limited	Rs.	10	213000000	213000000	119.50	119.50
Tata Consumer Soulfull Private Limited (Refer footnote h)	Rs.	10	925312	755526	201.81	155.80
Tata Smartfoodz Limited (Refer footnote h)	Rs.	10	539591335	498084304	472.08	430.58
TCPL Beverages and Foods Limited (Refer footnote g)	Rs.	10	50000	50000	0.05	0.05
TRIL Constructions Limited (Refer footnote e)	Rs.	10	11748148	11748148	11.75	11.75
Investment in Associates :						
Amalgamated Plantations Pvt Ltd.	Rs.	10	61024400	61024400	82.08	82.08
Kanan Devan Hills Plantations Company (Pvt.) Ltd.	Rs.	10	3976563	3976563	12.33	12.33
Investment in Joint Ventures :						
Tata Starbucks Private Limited (Refer footnote c)	Rs.	10	572300000	472300000	572.30	472.30
					3462.52	2701.33
Total Unquoted Equity Instruments					**3599.06**	**2835.36**

Notes

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

Unquoted Preference Shares

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

Unquoted Debentures & Government Securities

Carried at fair value through Other Comprehensive Income

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

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

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

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

d) Investment in preference shares of Amalgamated Plantations Pvt. Ltd. subscribed in an earlier year of Rs 50.14 Crores [67000000 shares of Rs 10 each] is redeemable with a special redemption premium, on fulfilment of certain conditions, within 15 - 17 years from the date of the issue and are designated as fair value through profit and loss. Preference shares subscribed to in the financial year 2021-22 and 2022-23 of Rs 201.63 Crores[200000000 shares of Rs 10 each] are optionally convertible, cumulative and redeemable carrying an annual coupon rate of 6% with special redemption premium issued for a period of 10 years and are also designated as fair value through profit and loss.

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

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

Notes

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

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

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

i) These investments are fully impaired.

j) Mutual fund investments represents surplus cash deployed as a part of treasury operations (Refer to Statement of Cashflow)

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

7. LOANS

Rs. in Crores

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

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

* Secured by mortgage of land

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

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

Notes

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

8. OTHER FINANCIAL ASSETS

Rs. in Crores

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

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

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

9. OTHER ASSETS

Rs. in Crores

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

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

Notes

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

10. INVENTORIES

(At lower of cost and net realisable value)

Rs. in Crores

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

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

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

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

11. TRADE RECEIVABLES

Rs. in Crores

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

Secured receivables are backed by security deposits.

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

Notes

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

Ageing of Trade Receivables: Rs. in Crores

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

12. CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES

Rs. in Crores

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

13. EQUITY SHARE CAPITAL AND OTHER EQUITY

(a) Equity Share Capital

Rs. in Crores

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

Notes

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

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

Rs. in Crores

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

ii) Rights, preferences and restrictions attached to shares

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

iii) Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2023) pursuant to contracts without payment being received in cash

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

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

iv) The details of shareholders holding more than 5% shares as at March 31, 2023 is set out as below :

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

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

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

vi) Dividend paid

Rs. in Crores

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

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

Notes

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

(b) Other Equity

Rs. in Crores

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

Nature and Purpose of Reserve

i. Capital Reserve

Capital Reserve was created on acquisition of certain plantation business.

ii. Securities Premium Account

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

iii. Contingency Reserves

Contingency Reserves are in the nature of free reserves.

iv. Revaluation Reserve

Revaluation Reserve was created on acquisition of shares in Tata Coffee Limited (Refer note 6 – footnote a).

v. Share Based Payment Reserve

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

14. BORROWINGS

Rs. in Crores

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

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

Notes

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

15. OTHER FINANCIAL LIABILITIES

Rs. in Crores

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

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

16. PROVISIONS

Rs. in Crores

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

Movement in Other Provisions - Current

Rs. in Crores

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

Rs. in Crores

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

Notes

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

17. TRADE PAYABLES

Rs. in Crores

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

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

Ageing of Trade Payables:

Rs. in Crores

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

18. OTHER CURRENT LIABILITIES

Rs. in Crores

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

19. TAXATION

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

Rs. in Crores

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

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

Notes

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

b) Reconciliation of effective tax rate:

Rs. in Crores

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

c) Non-Current Tax Asset (Net) :

Rs. in Crores

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

d) Current Tax Liability (Net) :

Rs. in Crores

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

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

Rs. in Crores

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

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

Rs. in Crores

	Depreciation and amortisation (including unabsorbed depreciation)	Other Liabilities	Provision for doubtful debts/ advances	Employee Benefits/ Trade Obligations	Other Assets	Total
As at 1 April 2021	**(431.51)**	**(1.49)**	**9.63**	**46.20**	**9.62**	**(367.55)**
(Charged)/credited:						
- to Statement of profit or loss	(136.52)	0.30	(0.84)	1.66	0.15	**(135.25)**
- to Other comprehensive income	-	(0.83)	-	(7.59)	-	**(8.42)**
As at 31 March 2022	**(568.03)**	**(2.02)**	**8.79**	**40.27**	**9.77**	**(511.22)**

Notes

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

Rs. in Crores

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

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

20. REVENUE FROM OPERATIONS

Rs. in Crores

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

21. OTHER INCOME

Rs. in Crores

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

Notes

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

22. COST OF MATERIALS CONSUMED

Rs. in Crores

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

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

Rs. in Crores

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

24. EMPLOYEE BENEFITS EXPENSE

Rs. in Crores

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

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

Notes

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

Employee Shared based payment incentives

The Company has share based incentives for certain employees under Tata Consumer Products Limited - Share-based Long Term Incentive Scheme 2021 ("TCPL SLTI Scheme 2021") approved by Nomination and Remuneration Committee (NRC).

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

The Company has granted performance share units at an exercise price of Re 1 per shares. Shares granted will vest after 3 years from date of grant. Number of shares that will vest range from 0.5 to 1.2 per performance share unit granted depending on performance measures achieved.

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

During the year, the performance share units were granted on May 04, 2022 and August 10, 2022. The estimated fair value of performance share units are based on the quoted share price. The aggregate of the estimated fair values of the performance share units granted is Rs 8.59 Crores (Rs 5.36 crores) which will be recognised in the Statement of Profit and Loss over the vesting period.

25. FINANCE COSTS

Rs. in Crores

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

26. DEPRECIATION AND AMORTISATION EXPENSE

Rs. in Crores

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

Notes

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

27. OTHER EXPENSES

Rs. in Crores

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

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

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

28. EXCEPTIONAL ITEMS (NET)

Rs. in Crores

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

29. CAPITAL COMMITMENT

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

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

30. CONTINGENCIES

(a) Statutory and other Commercial Claims:

Rs. in Crores

	Gross	Net of Estimated Tax
(i) Taxes, Statutory Duties/ Levies etc.	**21.97**	**20.04**
	(22.59)	(20.67)
(ii) Commercial and other Claims	**2.70**	**2.43**
	(2.40)	(1.97)

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

Notes

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

31. Micro enterprises and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the confirmations received in response to intimation in this regard sent by the Company to the suppliers. No interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 or otherwise has either been paid or payable or accrued and remaining unpaid as at March 31, 2023.

32. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Rs. in Crores

		2023	2022
1	Amount required to be spent during the year	16.59	13.32
2	Opening Surplus balance if any	0.52	0.30
3	Amount of expenditure incurred on		
	i) Construction/acquisition of Assets	-	-
	ii) On purpose other than (i) above	16.24	13.54
4	Shortfall/(Surplus) at the end of the year	(0.17)	(0.52)
5	Total of previous years shortfall	-	-
6	Reason for Shortfall	NA	NA
7	Nature of CSR Activities	Rural development, Skill development, Affordable health care, Water and Sanitation, Supporting Vulnerable communites during Covid	
8	Detail of Related Party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

33. EARNINGS PER SHARE

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

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

Rs. in Crores

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

Notes

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

35. LEASE

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

Lease liability as at March 31, 2023

Rs. in Crores

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

Contractual maturities of lease liabilities on an undiscounted basis:

Rs. in Crores

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

Amount Recognised in Statement of Profit and Loss

Rs. in Crores

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

Extension and termination options

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

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

Rs. in Crores

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

Notes

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

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

Rs. in Crores

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

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

36. A) RELATED PARTY DISCLOSURE

Related Parties

Promoter

Tata Sons Private Limited

Subsidiaries

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

Associates

Amalgamated Plantations Private Limited
Kanan Devan Hills Plantations Company Private Limited

Joint Ventures

Tata Starbucks Private Limited

Joint Venture of Subsidiaries

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

Key Management Personnel

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

Subsidiary and Joint Venture of Promoter Company

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

Notes

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

Joekels Tea Packers (Proprietary) Limited (w.e.f 28th December '2022)
Tetley ACI (Bangladesh) Ltd. (w.e.f 9th February'2023)
Tata Consumer Products Capital Limited
Tata Coffee Limited
Consolidated Coffee Inc.
Eight O'Clock Holdings Inc.
Eight O'Clock Coffee Company
Tata Coffee Vietnam Company Limited
Tata Tea Extractions Inc.
Tata Tea Holdings Private Limited
NourishCo Beverages Limited
Tata Consumer Soulfull Private Limited
Tata SmartFoodz Limited
TRIL Constructions Limited
TCPL Beverages & Foods Limited

Employee Benefit Plans

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

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

Rs. Crores

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

Notes

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

Rs. Crores

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

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

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

Notes

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

36. C) DETAILS OF MATERIAL TRANSACTIONS (I.E EXCEEDING 10% OF TOTAL TRANSACTION VALUES IN RESPECTIVE CATEGORY) ENTERED INTO WITH RELATED PARTIES FOR THE YEAR ENDED MARCH 31, 2023:

Rs. Crores

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

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Rs. Crores

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

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

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

Rs. Crores

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

37A. INTERESTS IN OTHER ENTITIES

I) Subsidiaries

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

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2023	% holding 2022
1	Tata Consumer Products Capital Limited	UK	Holding company	100.00	100.00
2	Tata Consumer Products UK Group Limited *	UK	Holding company	100.00	89.85
3	Tata Coffee Ltd.	India	Manufacturing, marketing and distribution of coffee & tea	57.48	57.48
4	Tata Tea Extractions Inc.	USA	Manufacturing, marketing and distribution of tea	100.00	100.00
5	Tata Tea Holdings Private Ltd.	India	Investment Company	100.00	100.00
6	NourishCo Beverages Ltd.	India	Manufacturing and distribution of RTD products	100.00	100.00
7	Tata Consumer Soulfull Private Limited	India	Manufacturing, marketing and distribution of Food Products	100.00	100.00
8	Tata Smartfoodz Limited	India	Manufacturing and marketing ready-to-eat products	100.00	100.00
9	TRIL Constructions Limited	India	Development of real estate and infrastucture facilities	80.46^	80.46^
10	TCPL Beverages & Foods Limited	India	Manufacturing, marketing and distribution of coffee & tea	100.00	100.00

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

^ on fully diluted basis

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II) Joint Ventures

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

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2023	% holding 2022
1	Tata Starbucks Private Ltd.	India	Operating Starbucks Café in India	50.00	50.00

III) Associates

A list of Company's associates as at March 31, 2023 is given below.

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2023	% holding 2022
1	Amalgamated Plantations Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	41.03	41.03
2	Kanan Devan Hills Plantations Co. Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	28.52	28.52

37B. SEGMENT DISCLOSURE

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

38. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

Rs. in crores

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

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

Rs. in crores

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

Rs. in crores

2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial assets								
Investments								
Quoted Equity Instruments	-	19.91	-	19.91	19.91	-	-	19.91
Unquoted Equity Instruments*	-	134.03	-	134.03	-	7.24	126.79	134.03
Unquoted Preference Shares	205.73	-	-	205.73	-	-	205.73	205.73
Loans	-	-	13.80	13.80	-	-	-	-
Other Financial Assets	76.91	-	27.53	104.44	-	76.91	-	76.91
Current Financial assets								
Current Investments	156.94	-	-	156.94	156.94	-	-	156.94
Trade Receivables	-	-	281.76	281.76	-	-	-	-
Cash and Cash Equivalents	-	-	327.40	327.40	-	-	-	-
Other Bank Balances	-	-	1001.21	1001.21	-	-	-	-
Loans	-	-	559.70	559.70	-	-	-	-
Other Financial assets	-	-	48.75	48.75	-	-	-	-
	439.58	**153.94**	**2260.15**	**2853.67**	**176.85**	**84.15**	**332.52**	**593.52**
Non-Current Financial liabilities								
Lease Liability	-	-	205.19	205.19	-	-	-	-
Others	76.91	-	-	76.91	-	76.91	-	76.91
Current Financial liabilities								
Lease Liability			29.71	29.71				
Trade Payables	-	-	1263.74	1263.74	-	-	-	-
Other Financial Liabilities	-	0.54	77.14	77.68	-	0.54	-	0.54
	76.91	**0.54**	**1575.78**	**1653.23**	**-**	**77.45**	**-**	**77.45**

* For certain unquoted equity investments categorized under level 3, cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represent the best estimate of fair value within that range. For other assets and liabilities categorised under level 3, a one percentage point change in the unobservable inputs used in fair valuation does not have a significant impact in its value.

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

B. Measurement of fair values

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

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

C. Financial risk management

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

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

i. Risk management framework

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

ii. Credit risk

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

a. Trade Receivables

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

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

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

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

b. Financial instruments and cash deposits

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

iii. Liquidity Risk

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

Exposure to liquidity risk

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

Rs. in Crores

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

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Rs. in Crores

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

iv. Market risk

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

a) Currency risk

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

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

Exposure to currency risk

The currency profile of financial assets and liabilities as at March 31, 2023 and March 31, 2022 are as below:

Rs. in Crores

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

Rs. in Crores

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

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

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

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

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

Rs. in Crores

Details	2023 Effect on Profit before tax	2023 Effect on Pre-tax Equity	2022 Effect on Profit before tax	2022 Effect on Pre-tax Equity
5% appreciation of the underlying foreign currencies	2.82	(3.15)	3.24	(2.00)
5% depreciation of the underlying foreign currencies	(2.82)	3.15	(3.24)	2.00

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

Rs. in Crores

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

b) Interest rate risk

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

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

c) Price Risk

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

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

d) Commodity Risk

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

Capital Management

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

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

Rs. in Crores

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

39.EMPLOYEE BENEFITS OBLIGATION

(i) Defined Contributions

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

Rs. in Crores

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

(ii) Defined Benefits:

Gratuity, Pension and Post Retiral Medical Benefits:

The Company operates defined benefit schemes like retirement gratuity, defined pension benefits and postretirement medical benefits. There are other superannuation benefits and medical benefits restricted to certain categories of employees/directors in the form of pension, medical and other benefits in terms of a

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specific policy related to the same. The defined benefit schemes offer specified benefits to the employees on retirement. The gratuity benefit provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' last drawn salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

Changes in the Defined Benefit Obligation :

Rs. in Crores

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

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

Rs. in Crores

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

Net Asset/(Liability) recognised in balance sheet

Rs. in Crores

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

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

Rs. in Crores

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

Amounts recognized in Other Comprehensive Income for the year:

Rs. in Crores

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

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

Rs. in Crores

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

Principal Actuarial assumptions used:

	2023	2022
Discount rates	7.60%	6.95%
Salary escalation rate	8% for management staff 7% for workers/staff	8% for management staff 7% for workers/staff
Annual increase in health care costs	8%	8%
Pension increase rate	18% after every three years	18% after every three years
Mortality rates	Indian Assured Lives Mortality (2012-14) Ult Published rates under the S1PA Mortality table	Indian Assured Lives Mortality (2012-14) Ult Published rates under the S1PA Mortality table

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Quantitative sensitivity analysis for significant assumption is as below:

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

Rs. in Crores

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

Major Categories of Plan Assets :

Rs. in Crores

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

The Company contributes all its ascertained liabilities towards gratuity to the trust set up for the same. Trustees administer the contributions made to the trust. As at March 31, 2023 and March 31, 2022, the plan assets have been primarily invested in insurer managed funds.

Expected Contribution over the next financial year:

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

(iii) Provident Fund

The Company operates Provident Fund Schemes and the contributions are made to recognized funds maintained by the Company and for certain categories contributions are made to State Plans. The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered rates on an annual basis. The Actuary

Notes

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

has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumption:

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

Rs. in Crores

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

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

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

40A. The Board of Directors of the Company in its meeting held on March 29, 2022, had approved the composite scheme of arrangement (the Scheme), amongst the Company and its subsidiaries, Tata Coffee Limited (TCL) and TCPL Beverages & Foods Limited (TBFL), in terms of Section 230-232 and other applicable provisions of Companies Act, 2013. The Scheme inter alia provides for the demerger of the Plantation Business (as defined in the Scheme) of TCL into TBFL and as consideration, issue equity shares of the Company to all the shareholders of TCL (other than to itself) in accordance with the Share Entitlement Ratio mentioned in the Scheme. This would be followed immediately by the amalgamation of the TCL comprising of the Remaining Business (as defined in the Scheme) with the Company and as consideration, issue equity shares of the Company to all the shareholders of TCL (other than to itself) in accordance with the Share Exchange Ratio mentioned in the Scheme.

The Scheme would become effective after receipt of all requisite approvals as mentioned in the Scheme. Pending receipt of necessary approvals, no effect of the Scheme has been given in the financial results for the year ended March 31, 2023.

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

41. AUDIT FEES

Rs. in Crores

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

Notes

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

42. RATIOS

I) Financial Ratios

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

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

* Due to increase in market yield

Note 1: Debt includes lease liabilities

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

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

Note 4: Capital Employed = Tangible Net Worth (including non-current investments) + Total Debt + Deferred Tax Liabilities

II) Relationship with Struck off Companies

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

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

Independent Auditor's Report

TO THE MEMBERS OF TATA CONSUMER PRODUCTS LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Tata Consumer Products Limited (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group") which includes the Group's net share of loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on financial statements of the subsidiaries and joint venture referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Impairment of the carrying value of goodwill on consolidation for a Cash generating unit** On account of competitive pressure and decline in black tea demand in developed markets there is a risk that the Group's goodwill attributable/ allocated to cash generating units in those markets may be impaired. The Group annually carries out an impairment assessment of goodwill using a value-in-use model which is based on the net present value of the forecast earnings of the cash-generating units. This is calculated using certain assumptions around discount rates, growth rates and cash flow forecasts. Focus was on the goodwill carried in books for cash generating units with lower headroom. Refer note 6 and note 2.3 to the financial statements	The goodwill has been recorded in the books of an overseas component. The Component Auditor has reported that they have performed the following procedures. Besides obtaining an understanding of Management's processes and controls with regard to testing the goodwill for impairment the Component Auditor's procedures included the following: • Engaged internal fair valuation experts to challenge management's underlying assumptions and appropriateness of the valuation model used. • Compared the Group's assumptions with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates. • Assessed the appropriateness of the forecast cash flows within the budgeted period based on their understanding of the business and sector experience. • Considered historical forecasting accuracy, by comparing previously forecasted cash flows to actual results achieved. • Performed a sensitivity analysis in relation to key assumptions. We have engaged with the Component Auditor to understand the nature, timing and extent of their audit procedures. We have also assessed whether the Group's disclosures regarding the sensitivity of the impairment assessment to changes in key assumptions, appropriately reflected the risk inherent in the valuation of goodwill.
2.	**Impairment of investments in an associate** During the current financial year, an associate has incurred significant losses as it has not been able to recover increase in input costs through increased prices. This has triggered an impairment assessment of carrying value of investments of preference shares of ₹218.06 crore in the associate in consolidated financial statements of the Company. The associate has also engaged a valuation expert to evaluate the recoverable value of the entity through sale of its assets. Refer Note 36(c) to the financial statements.	Besides obtaining an understanding of Management's processes and controls with regard to testing the investments for impairment our procedures included the following: a) We understood the methodology applied by Management in performing its impairment test for the investments at fair value and cost and walked through the controls over the process. b) We challenged the assumptions made by Management for the input data used by Management through discussions, comparisons to industry peers and other available independent external data sources. We also performed sensitivity analysis on the key assumptions.

Sr. No.	Key Audit Matter	Auditor's Response
3.	**Inventory of raw / cured coffee beans ("green coffee beans"), tea and pepper (Valuation) – Tata Coffee Limited:** Finished goods inventory are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always a volatility in the selling price of green coffee beans, tea and pepper, which is dependent upon various market conditions, determination of the net realizable value for green coffee beans, tea and pepper involves significant management judgement and therefore has been considered as a key audit matter. The total value of finished goods (commodities) as at March 31, 2023 is ₹137.80 crore.	This matter is in respect of the Tata Coffee Limited component. We have used the work of Component Auditors. The Component Auditor has reported that they have performed the following procedures: With respect to the net realisable value: • Obtained an understanding of the determination of the net realizable values of green coffee beans, tea and pepper and assessed and tested the reasonableness of the significant judgements applied by the management. • Evaluated the design of internal controls relating to the valuation of green coffee beans, tea and pepper and also tested the operating effectiveness of the aforesaid controls. • To assess the reasonableness of the net realisable value that was estimated and considered by the management: o With respect to the committed stock of green coffee beans for which the Company has entered into contracts with the respective customers, on a sample basis, compared the net realisable value with the rates as per the said contracts; o With respect to the uncommitted stock of green coffee beans, obtained the market information relating to coffee prices and assessed the reasonableness of the adjustments that were made to such market prices to estimate the net realisable value; o With respect to the uncommitted stock of tea and pepper, obtained the latest realization rates / market information relating to prices and assessed the reasonableness of the adjustments that were made to such market prices to estimate the net realisable value; o Verified the publicly available market information to assess if there has been significant decrease in the rates subsequent to the year end. • Compared the actual costs incurred to sell based on the latest sale transactions to assess the reasonableness of the cost to sell that was estimated and considered by the management. • Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value. • Tested the appropriateness of the disclosure in the financial statements in accordance with the applicable financial reporting framework.

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

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

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

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

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

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

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

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

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

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

Other Matters

We did not audit the financial statements of 29 subsidiaries whose financial statements reflect total assets of ₹7,228.90 crore as at March 31, 2023, total revenues of ₹1,859.12 crore and net cash outflows amounting to ₹115.73 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ Nil for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 joint venture, whose financial statements have not been audited by us. These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

    e) On the basis of the written representations received from the directors of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture company incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

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

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

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

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

iv) a. The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent Company and its subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 14(vi) to the consolidated financial statements, the Board of Directors of the Parent Company and its subsidiaries, associates and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of

the Parent Company and such subsidiaries, associates and joint venture at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

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

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ the "Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks in the CARO reports of the said companies included in the consolidated financial statements.

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

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

Place: Mumbai
Date: April 25, 2023

Annexure "A" to the Independent Auditor's Report

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

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Tata Consumer Products Limited (hereinafter referred to as the "Parent") and its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Parent's internal financial controls with reference to consolidated financial statements of the Company, its subsidiaries companies, its associates and joint venture are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of

records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent, its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place: Mumbai
Date: April 25, 2023

Consolidated Balance Sheet

as at March 31, 2023

Rs. in Crores

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

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

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

K P Krishnan
Director
(DIN 01099097)

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

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

Rs. in Crores

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

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

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

K P Krishnan
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Managing Director & CEO
(DIN 07194259)

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Consolidated Statement of Changes in Equity

as at March 31, 2023

Equity Share Capital and Other Equity (refer note 14)

Rs in Crores

Particulars	Equity Share Capital	Reserve and Surplus									Other Comprehensive Income			Total Other Equity	Non Controlling Interests	Total Equity
		Capital Reserve	Securities Premium	Share Based Payment Reserve	Capital Redemption Reserve	Contingency Reserve	Amalgamation Reserves	Revaluation Reserve	General Reserve	Retained Earnings	Effective portion of Cash Flow Hedge	Fair value gains/(loss) on Equity Instruments	Foreign Currency Translation Reserve			
Balance as at April 1, 2021	**92.16**	**15.79**	**6430.87**	**-**	**0.10**	**1.00**	**8.33**	**21.86**	**1175.48**	**6396.35**	**5.72**	**(2.29)**	**389.14**	**14442.35**	**1092.53**	**15627.04**
Profit for the year										935.78				935.78	79.38	1015.16
Other Comprehensive Income										30.99	7.53	3.20	9.06	50.78	8.46	59.24
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**966.77**	**7.53**	**3.20**	**9.06**	**986.56**	**87.84**	**1074.40**
Transaction with owners in their capacity as owners																
Dividends										(373.23)				(373.23)	(25.39)	(398.62)
Transfer to General Reserve									9.21	(9.21)				-		-
Recognition of share-based payments				0.46										0.46		0.46
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income										0.80		(0.80)		-		-
Reclassification of hedging gain /(loss) to the Statement of Profit and Loss											2.63			2.63	0.72	3.35
Non-controlling Interest on aquisition of a subsidiary															33.39	33.39
Transaction with Non- Controlling Interest										(8.99)				(8.99)	(37.47)	(46.46)
Balance as at March 31, 2022	**92.16**	**15.79**	**6430.87**	**0.46**	**0.10**	**1.00**	**8.33**	**21.86**	**1184.69**	**6972.49**	**15.88**	**0.11**	**398.20**	**15049.78**	**1151.62**	**16293.56**
Profit for the year										1203.77				1203.77	116.37	1320.14
Other Comprehensive Income										(75.32)	(17.65)	10.01	171.68	88.72	(5.04)	83.68
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1128.45**	**(17.65)**	**10.01**	**171.68**	**1292.49**	**111.33**	**1403.82**
Transaction with owners in their capacity as owners																
Dividends										(557.54)				(557.54)	(15.88)	(573.42)
Recognition of share-based payments				4.04										4.04		4.04
Issue of shares [Refer Note 36(a)]	0.74		570.06											570.06		570.80
Realised gain on equity shares carried at Fair Value through Other Comprehensive Income										2.88		(2.88)		-		-
Reclassification to profit or loss on disposal of Joint Ventures													(1.04)	(1.04)		(1.04)
Transaction with Non- Controlling Interest (Refer Note 36 a)										(118.92)				(118.92)	(454.76)	(573.68)
Non-controlling Interest on aquisition of a subsidiary [Refer Note 41 (a)]														-	57.86	57.86
Purchase commitments for Non-Controlling Interests' shares [Refer Note 41 (a)]										(55.06)				(55.06)		(55.06)
Balance as at March 31, 2023	**92.90**	**15.79**	**7000.93**	**4.50**	**0.10**	**1.00**	**8.33**	**21.86**	**1184.69**	**7372.30**	**(1.77)**	**7.24**	**568.84**	**16183.81**	**850.17**	**17126.88**

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

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, April 25, 2023

For and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

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

Sivakumar Sivasankaran
Chief Financial Officer

K P Krishnan
Director
(DIN 01099097)

L.Krishnakumar
Executive Director
(DIN 00423616)

Neelabja Chakrabarty
Company Secretary

Consolidated Statement of Cash Flow

for the year ended March 31, 2023

Rs in Crores

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

Consolidated Statement of Cash Flow

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

Rs in Crores

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

Rs in Crores

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

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

In terms of our report attached

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Mumbai, April 25, 2023

For and on behalf of the Board

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Executive Director
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Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Notes

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

1. GENERAL INFORMATION

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

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

The financial statements for the year ended March 31, 2023 were approved for issue by Company's Board of Directors on April 25, 2023.

2. PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENT

2.1 BASIS OF PREPARATION AND MEASUREMENT

(a) Basis of preparation

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

(b) Basis of measurement

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

(c) Basis of consolidation

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

Subsidiaries

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

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

Investment in Associates and Joint Ventures

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

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

joint operations or joint ventures depending on the contractual rights and obligations of each investor.

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

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

2.2 SIGNIFICANT ACCOUNTING POLICIES

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

(a) Business Combinations

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

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

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

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

Purchase commitments for non-controlling interests' shares

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

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

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of

Notes

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

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

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

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

(b) Property, Plant and Equipment

i) Recognition and measurement:

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

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

ii) Depreciation:

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

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

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

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

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

(c) Biological Assets

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

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

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

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

Tea, Coffee, Pepper and minor crops are designated as agricultural produce at the point of harvest and are measured at their fair value less cost to sell. Any changes in fair value upto the point of harvest are recognised in the statement of profit and loss in the year in which they arise.

(d) Investment Property

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

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

(e) Intangible Assets

i) Goodwill

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

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

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

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ii) Brands and Trademarks

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

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

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

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

iii) Customer relationships

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

iv) Distribution Network

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

v) Patent / knowhow

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

vi) Computer software/ Website

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

previously recognised as an expense are not recognised as an asset in a subsequent period. The cost incurred for acquisition of website is capitalised. In case of internally generated website, the cost is capitalised only if the future economic benefits are expected to flow to the entity and if the asset can be controlled by entity as a result of past events.

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

vii) Research and Development

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

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

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

(f) Impairment of tangible and intangible assets

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

(g) Assets held for sale and disposal groups

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

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

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

(h) Financial Instruments

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

Financial assets

Initial recognition and measurement

At initial recognition, the Group measures a financial assets at its fair value and in the case of financial assets not recorded at fair value through profit or loss at transaction costs

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that are attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss is expensed in the Statement of Profit or Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Debt Instruments:

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

i) **Financial assets at amortised cost-** Assets that are held for collection of contractual cash flows on specified dates where those cash flows represent solely payments of principal and interest are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables and loans.

ii) **Financial assets at fair value through other comprehensive income (FVTOCI) –** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represents solely payments of principal and interest, are on specified dates are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income from these financial assets is included in finance income using the effective interest rate method and impairment losses, if any are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

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

Equity Instruments

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

Derecognition

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

Impairment of financial assets

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

Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Derecognition

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

Derivative financial instruments and hedging activities

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

The Group designates certain derivatives as either:

(a) hedges of the fair value of recognised assets or liabilities (fair value hedge); or

(b) hedges of a particular risk associated with a firm commitment or a highly probable forecasted transaction (cash flow hedge);

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

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

(a) Fair value hedge

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

(b) Cash flow hedge

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

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

When a hedging instrument expires or is swapped or unwound, or when a hedge no longer meets the criteria for hedge

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accounting, any accumulated gain or loss in other equity remains there and is reclassified to statement of profit and loss when the forecasted cash flows affect profit or loss.

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

Fair value measurement

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

i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.

ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

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

Offsetting Instruments

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

Interest and dividend income

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

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

(i) Inventories

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

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

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

(j) Employee Benefits

The Group operates various post-employment schemes, including both defined benefit and

defined contribution plans and post-employment medical plans. Short term employee benefits are recognised on an undiscounted basis whereas long term employee benefits are recognised on a discounted basis.

i) Post retirement employee benefits:

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

Post retirement defined benefits including gratuity, pension and medical benefits for qualifying executives/whole time directors as provided by the Group are determined through independent actuarial valuation at year end and charge recognised in the statement of profit and loss. Interest costs on employee benefit schemes have been classified within finance cost. For schemes, where funds have been set up, annual contributions determined as payable in the actuarial valuation report are contributed. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income, and subsequently not reclassified to the Statement of Profit and Loss.

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

ii) Other employee benefits:

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

iii) Employee termination benefits:

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

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

(k) Share based payment

The Parent Company recognises compensation expense relating to share based payments in accordance with Ind AS 102 - Share-based Payment. For share entitlement granted by the Parent Company to its employees the estimated fair value as determined on the date of grant, is

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charged to the statement of profit and loss on a straight line basis over the vesting period and assessment of performance conditions, if any, with a corresponding increase in equity.

(l) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

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

(m) Income Tax

i) Current Income Tax:

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

ii) Deferred Tax:

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

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

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

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

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

(n) Foreign currency and translations

i) Functional and presentation currency

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

ii) Group entities

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

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

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

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

(o) Revenue from contracts with customer

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

Revenue is measured based on transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of the goods and services to a customer is based on the price specified in the contract and is net of variable consideration on account of estimated sales incentives / discounts offered by the Group. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

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

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

(p) Government Grant

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

(q) Leases

As a lessee

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

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

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

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

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

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

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

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

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in the statement

of profit and loss on a straight-line basis over the lease term.

(r) Borrowing Costs

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

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

(s) Exceptional Items

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

(t) Earnings per share

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

(u) Segment Reporting

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

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

(v) Cash and Cash equivalents

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

(w) Events after the reporting period

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

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

2.3 KEY ACCOUNTING JUDGEMENT, ESTIMATES AND ASSUMPTIONS

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

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The areas involving critical estimates or judgements are:

a) Goodwill and Intangibles

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

b) Depreciation and amortisation

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

c) Taxation

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

d) Employee Benefits

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

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that is used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds/Government securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions. (Refer Note 38)

e) Carrying value of derivatives and other financial instruments

All financial instruments are required to be fair valued as at the balance sheet date, as provided in Ind AS 109 and Ind AS 113. Being a critical estimate, judgement is exercised to determine the carrying values. The fair value of financial instruments that arex unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc., as applicable. (Refer Note 37)

f) Revenue recognition and marketing accrual

Generally in the International markets, products are often sold with sales related discounts, rebate, trade support etc. Sales are recorded based on the price specified in the sales contract, however simultaneously amount of sales promotions expenditure that would need

to be incurred are also estimated and netted off from sales. Judgement is required to be exercised in determining the level of provisions that would need to be accrued. Accumulated experience is used for estimating and providing for such expenditure.

2.4 RECENT ACCOUNTING PRONOUNCEMENTS

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

Ind AS 1 – Presentation of Financial Statements

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

Ind AS 12 – Income Taxes

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

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

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

Notes

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

3. PROPERTY PLANT AND EQUIPMENT

Rs. in Crores

	Land	Bearer Assets	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipment	Motor Vehicles	Total Tangible Assets
Cost								
As at April 1, 2021	**64.03**	**25.79**	**359.95**	**2032.53**	**229.48**	**9.70**	**21.65**	**2743.13**
Acquisition through Business Combination	-	-	90.95	129.50	3.15	0.95	0.04	224.59
Additions	-	7.87	20.25	106.56	18.14	1.47	0.51	154.80
Disposal	(0.48)	-	(3.87)	(37.10)	(20.86)	(3.19)	(2.84)	(68.34)
Translation exchange difference	(0.03)	-	3.16	15.35	(0.90)	0.03	0.02	17.63
As at March 31, 2022	**63.52**	**33.66**	**470.44**	**2246.84**	**229.01**	**8.96**	**19.38**	**3071.81**
Acquisition through Business Combination	-	-	0.62	18.87	0.46	-	3.08	23.03
Additions	-	19.92	14.45	144.78	21.14	1.11	0.12	201.52
Disposal	-	-	(1.56)	(82.32)	(9.44)	(0.52)	(4.37)	(98.21)
Adjustments / Transfer	-	-	-	1.14	-	(2.63)	(0.29)	(1.78)
Translation exchange difference	0.11	-	10.49	73.48	4.41	0.03	(0.16)	88.36
As at March 31, 2023	**63.63**	**53.58**	**494.44**	**2402.79**	**245.58**	**6.95**	**17.76**	**3284.73**
Accumulated Depreciation								
As at April 1, 2021	**-**	**1.42**	**145.90**	**1177.28**	**176.62**	**6.57**	**12.67**	**1520.46**
Depreciation for the year	-	0.96	11.15	96.32	13.07	1.49	1.38	124.37
Disposal	-	-	(3.69)	(31.71)	(15.31)	(3.02)	(1.31)	(55.04)
Translation exchange difference	-	-	1.50	1.11	(0.95)	0.03	0.02	1.71
As at March 31, 2022	**-**	**2.38**	**154.86**	**1243.00**	**173.43**	**5.07**	**12.76**	**1591.50**
Depreciation for the year	-	1.51	15.15	104.66	14.76	0.85	1.05	137.98
Disposal	-	-	(1.36)	(79.63)	(8.71)	(0.44)	(2.35)	(92.49)
Adjustments / Transfer	-	-	-	0.86	(0.70)	(1.28)	(0.29)	(1.41)
Translation exchange difference	-	-	4.96	35.76	3.77	0.03	(0.05)	44.47
As at March 31, 2023	**-**	**3.89**	**173.61**	**1304.65**	**182.55**	**4.23**	**11.12**	**1680.05**
Net Carrying Value								
As at March 31, 2022	**63.52**	**31.28**	**315.58**	**1003.84**	**55.58**	**3.89**	**6.62**	**1480.31**
As at March 31, 2023	**63.63**	**49.69**	**320.83**	**1098.14**	**63.03**	**2.72**	**6.64**	**1604.68**

Land includes leasehold land of Rs. 2.02 Crores (Rs. 2.02 Crores) belonging to the Parent Company and an Indian subsidiary. Buildings include Rs. 5.90 Crores (Rs. 5.90 Crores) represented by shares in Co-operative Housing Societies / a Company. Certain plantation land meant for usage as tea plantations and for ancillary activities has been leased by the Parent Company to its associate company Kanan Devan Hills Plantations Company Private Limited for a period of 30 years as part of the restructure in 2005, of its South India Plantation Operations. The additions to bearer assets represents capitalisation of coffee plants which have attained maturity during the year. Capital work-in-progress includes immature plants amounting to Rs 33.29 Crores (Rs 44.40 Crores).

Notes

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

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

Rs. in Crores

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31,2023					
Projects in progress	221.89	3.61	-	27.31	252.81
Bearer plants in progress	8.81	2.80	3.04	18.64	33.29
Total	**230.70**	**6.41**	**3.04**	**45.95**	**286.10**
As at March 31,2022					
Projects in progress	111.83	25.90	26.88	0.43	165.04
Bearer plants in progress	2.83	3.03	10.91	27.63	44.40
Total	**114.66**	**28.93**	**37.79**	**28.06**	**209.44**

4. INVESTMENT PROPERTY

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

Rs in Crores

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

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

Rs in Crores

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

4A. INVESTMENT PROPERTY UNDER DEVELOPMENT

Rs in Crores

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

Notes

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

Investment property under development - Ageing schedule and Expected completion:

Rs. in Crores

Particulars	Amount in WIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily on hold					
As at March 31, 2023	-	-	-	214.78	214.78
As at March 31, 2022	-	-	-	214.78	214.78

Rs. in Crores

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

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

Fair value:

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

5. RIGHT OF USE ASSETS

Rs. in Crores

	Land	Buildings	Plant and Machinery	Office Equipment	Motor Vehicles	Total Right of Use Assets
Net Carrying Value						
As at April 1, 2021	**81.48**	**279.96**	**21.62**	**0.17**	**3.18**	**386.41**
Acquisition through Business Combination	22.00	-	-	-	-	22.00
Additions	-	26.56	9.55	-	3.12	39.23
Disposal	-	(14.34)	(0.12)	-	0.16	(14.30)
Depreciation for the year	(2.22)	(47.80)	(5.10)	(0.09)	(2.42)	(57.63)
Translation exchange difference	3.15	(0.39)	-	-	(0.03)	2.73
As at March 31, 2022	**104.41**	**243.99**	**25.95**	**0.08**	**4.01**	**378.44**
Acquisition through Business Combination	-	3.11	-	-	-	3.11
Additions	-	40.43	19.23	-	0.66	60.32
Disposal	(0.89)	(4.78)	(0.19)	-	0.01	(5.85)
Depreciation for the year	(1.66)	(49.72)	(6.08)	(0.05)	(2.24)	(59.75)
Adjustments / Transfer	-	(0.47)	(0.07)	-	0.26	(0.28)
Translation exchange difference	6.91	0.83	0.31	-	-	8.05
As at March 31, 2023	**108.77**	**233.39**	**39.15**	**0.03**	**2.70**	**384.04**

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

6. GOODWILL AND OTHER INTANGIBLE ASSETS

Rs. in Crores

	Goodwill	Brands / Trademarks	Customer Intangibles	Patent / Knowhow	Capitalised Software / Website	Distribution Network	Total Other Intangible Assets
Cost							
As at April 1, 2021	**8015.20**	**2778.85**	**-**	**17.64**	**243.15**	**270.46**	**3310.10**
Acquisition through Business Combination	107.34	-	-	20.40	1.02	-	21.42
Additions	-	-	-	-	40.30	-	40.30
Disposal	-	-	-	-	(20.88)	-	(20.88)
Translation exchange difference	58.19	9.97	-	-	0.23	-	10.20
As at March 31, 2022	**8180.73**	**2788.82**	**-**	**38.04**	**263.82**	**270.46**	**3361.14**
Acquisition through Business Combination	112.17	84.11	42.66	-	-	-	126.77
Additions	-	-	-	-	62.10	-	62.10
Disposal	-	-	-	-	(29.91)	-	(29.91)
Translation exchange difference	177.65	23.02	(1.70)	-	4.92	-	26.24
As at March 31, 2023	**8470.55**	**2895.95**	**40.96**	**38.04**	**300.93**	**270.46**	**3546.34**
Accumulated Depreciation / Impairment							
As at April 1, 2021	**418.63**	**253.33**	**-**	**17.10**	**187.74**	**67.62**	**525.79**
Amortisation for the year	-	37.81	-	1.22	22.56	33.81	95.40
Disposal	-	-	-	-	(20.36)	-	(20.36)
Impairment	-	-	-	-	-	-	-
Translation exchange difference	7.99	6.33	-	-	(0.41)	(0.01)	5.91
As at March 31, 2022	**426.62**	**297.47**	**-**	**18.32**	**189.53**	**101.42**	**606.74**
Amortisation for the year	-	40.21	0.68	2.04	29.43	33.80	106.16
Disposal	-	-	-	-	(29.65)	-	(29.65)
Impairment	-	-	-	-	-	-	-
Translation exchange difference	18.55	17.60	(0.02)	-	4.35	-	21.93
As at March 31, 2023	**445.17**	**355.28**	**0.66**	**20.36**	**193.66**	**135.22**	**705.18**
Net Carrying Value							
As at March 31, 2022	**7754.11**	**2491.35**	**-**	**19.72**	**74.29**	**169.04**	**2754.40**
As at March 31, 2023	**8025.38**	**2540.67**	**40.30**	**17.68**	**107.27**	**135.24**	**2841.16**

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

Intangible asset under development - Ageing schedule:

Rs. in Crores

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
As at March 31, 2023	**8.45**	**0.35**	**-**	**-**	**8.80**
As at March 31, 2022	**37.53**	**-**	**-**	**-**	**37.53**

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

Impairment of Goodwill and intangible assets

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

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

Rs. in Crores

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

Rs. in Crores

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

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

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

Notes

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

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

Other key assumptions applied in determining value in use are:

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

The long term growth rates and discount rates applied in the value in use calculations as at March 31, 2023 are given below:

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

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

Impairment charges

Based on an assessment carried out, there are no impairment charges in the current year.

Sensitivity Analysis

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

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

7. INVESTMENTS

Rs in Crores

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

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

Details of investments are as follows:

a) Quoted Equity Instruments

Carried at fair value through Other Comprehensive Income

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

^ Investment is fully impaired.

b) Unquoted Equity Instruments

Carried at fair value through other comprehensive income

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
Tata Sons Private Ltd. *	Rs. 1000	1755	1755	9.75	9.75
Tata Capital Ltd.	Rs. 10	613598	613598	8.29	3.07
Tata Services Ltd.	Rs. 1000	475	475	0.05	0.05
Tata Industries Ltd. *	Rs. 100	6519441	6519441	115.82	115.82
Taj Air Ltd.	Rs. 10	22200000	22200000	6.64	6.39
Southern Scribe Instruments Pvt Ltd #	Rs. 100	7280	7280	0.07	0.07
Armstrong Power Private Limited #	Rs. 100	1100	1100	0.01	0.01
K.T.V Oil Mills Private Limited #	Rs. 100	1450	1450	0.01	0.01
Coorg Orange Growers Co-Operative Society Ltd.^	Rs. 100	4	4	-	-
Tata Coffee Co-operative Stores Limited^	Rs. 5	20	20	-	-
Coorg Cardamom Co-operative Marketing Society Limited^	Rs. 100	1	1	-	-

Notes

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

	Face Value	Nos.		Rs. in Crores	
		2023	2022	2023	2022
ABC Tea Workers Welfare Services	Rs. 10	20000	20000	0.02	0.02
Assam Hospitals Ltd	Rs. 10	-	200000	-	2.80
GNRC Ltd	Rs. 10	50000	50000	0.59	0.25
IFCI Venture Capital Funds Ltd	Rs. 10	250000	250000	0.58	1.05
The Annamallais Ropeways Company Ltd. ^	Rs. 10	2092	2092	-	-
The Valparai Co-operative Wholesale Stores Ltd. ^	Rs. 10	350	350	-	-
Suryakiran Apartment Services Private Ltd. $	Rs. 10	2146	2146	0.00	0.00
Jalpaiguri Club Ltd. (Cost Re 1) $	Rs. 10	60	60	0.00	0.00
Sanlam	ZAR. 38	342	-	0.01	-
Ritspin Synthetics Ltd. ^	Rs. 10	100000	100000	-	-
TEASERVE $ (The Tamil Nadu Tea Manufacturers' Service Industrial Co-Op Society Ltd)	Rs. 5000	1	1	0.00	0.00
				141.84	**139.29**

$ Investment carrying values are below Rs 0.01 Crores.
^ Investments are fully impaired.
# relating to power purchase agreement entered into by an Indian subsidiary.
* Costs of these unquoted equity instruments have been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

c) Unquoted Preference Shares

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

$ Investment carrying values are below Rs 0.01 Crores.

Investment in preference shares of Amalgamated Plantations Pvt. Ltd. (APPL) subscribed in an earlier year of Rs. 50.14 Crores [67000000 shares of Rs 10 each] is redeemable with a special redemption premium, on fulfilment of certain conditions, within 15 - 17 years from the date of the issue and are designated as fair value through profit and loss. Preference shares subscribed to in the financial year 2021-22 and 2022-23 of Rs 201.63 Crores [200000000 shares of Rs 10 each] are optionally convertible, cumulative and redeemable carrying an annual coupon rate of 6% with special redemption premium issued for a period of 10 years and are also designated as fair value through profit and loss. Investment in APPL preference shares are stated net of accumulated share of losses on the equity investment accounted as per equity method.

Notes

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

d) Unquoted Debentures and Government Securities

Carried at fair value through other comprehensive income

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

$ Investment carrying values are below Rs 0.01 Crores.

8. LOANS

Rs. in Crores

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

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

Sub-classification of Loans

Rs. in Crores

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

Notes

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

Non-current loans

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

Current loans

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

9. OTHER FINANCIAL ASSETS

Rs. in Crores

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

Non-current security deposits includes doubtful deposits which are fully provided - Rs 0.33 Crores (Rs 0.33 Crores).

Current deposits include doubtful balances which are fully provided - Rs 0.38 (Rs 0.38 Crores). Others include receivable from related parties – Rs 2.94 Crores (Rs 2.55 Crores). Interest accrued includes due from related party – Rs 0.07 Crores (Rs 0.55 Crores).

Notes

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

10. OTHER ASSETS

Rs. in Crores

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

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

11. INVENTORIES

(At lower of cost and net realisable value)

Rs. in Crores

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

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

12. TRADE RECEIVABLES

Rs. in Crores

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

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

Notes

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

Ageing of Trade Receivables:

Rs. in Crores

Particulars	Not Overdue	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2023							
Undisputed Trade receivables considered good- Unsecured	493.24	221.49	14.91	19.23	-	-	748.87
Undisputed Trade receivables considered good- Secured	46.03	1.97	0.55	0.91	-	-	49.46
Undisputed Trade Receivables – credit impaired	-	2.16	1.19	3.63	17.12	4.78	28.88
Disputed Trade Receivables – credit impaired	-	-	-	-	10.81	-	10.81
	539.27	**225.62**	**16.65**	**23.77**	**27.93**	**4.78**	**838.02**
Less: Allowance for credit loss							(39.69)
Total Trade Receivables							**798.33**
As at March 31, 2022							
Undisputed Trade receivables considered good- Unsecured	591.56	196.77	17.85	18.21	0.05	0.12	824.56
Undisputed Trade receivables considered good- Secured	5.24	4.95	-	0.05	0.35	-	10.59
Undisputed Trade Receivables – credit impaired	-	1.39	2.43	19.09	1.57	3.89	28.37
Disputed Trade Receivables – credit impaired	-	-	-	10.81	-	-	10.81
	596.80	**203.11**	**20.28**	**48.16**	**1.97**	**4.01**	**874.33**
Less: Allowance for credit loss							(39.18)
Total Trade Receivables							**835.15**

13. CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES

Rs. in Crores

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

Balances in current accounts mainly pertain to the International markets and are interest bearing.

Notes

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

14. EQUITY SHARE CAPITAL AND OTHER EQUITY

(a) Equity Share Capital

Rs. in Crores

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

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

Rs. in Crores

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

ii) Rights, preferences and restrictions of Equity Shares

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

iii) Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2023) pursuant to contracts without payment being received in cash

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

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

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

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

Notes

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

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

Promoter name	No of shares	% of total shares	% change during the year
Tata Sons Private Limited			
As at March 31, 2023	270557128	29.12%	-0.24%
As at March 31, 2022	270557128	29.36%	-

vi) Dividend paid

Rs. in Crores

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

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

(b) Other Equity

Rs. in Crores

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

Nature and Purpose of Reserve

i) Capital Reserve

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

ii) Securities Premium

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

iii) Contingency Reserve

Contingency Reserve is in the nature of free reserves.

iv) Amalgamation Reserves

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

Notes

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

v) Share based Payment Reserve

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

vi) Revaluation Reserve

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

15. BORROWINGS

Rs. in Crores

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

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

The liabilities as at the year-end are also impacted by the translation of overseas financial statements for consolidation purposes.

Non-Current Borrowings

Term Loan

Debt amounting to Rs 265.50 Crores (Rs 298.15 Crores) is repayable over a period of 8 years in half yearly instalments commencing from financial year 2020-21, interest being charged at the Libor plus a margin. The borrowing is secured by a charge over the plant and machinery of an overseas subsidiary and guarantee given by its immediate parent. The agreement requires compliance with various financial covenants, including restrictions on capital expenditures, additional indebtedness, acquisitions, distributions to shareholders and net worth.

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

Current Borrowings

Bank Overdraft

Bank overdrafts of Rs 638.45 Crores (Rs 520.86 Crores) are part of a Group's cash-pooling arrangement, interest charged at a margin over I.C.E. benchmark administration settlement rate, with corresponding offsetting balances under cash and cash equivalent (Refer Note 13).

Notes

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

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

Working Capital Facilities

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

16. OTHER FINANCIAL LIABILITIES

Rs. in Crores

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

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

17. PROVISIONS

Rs. in Crores

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

Notes

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

Movement in Other Provisions - Current

Rs. in Crores

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

18. TRADE PAYABLES

Rs. in Crores

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

Ageing of Trade Payables:

Rs. in Crores

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

19. OTHER CURRENT LIABILITIES

Rs. in Crores

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

Notes

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

20. TAXATION

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

Rs. in Crores

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

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

Rs. in Crores

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

Notes

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

(c) Income tax assets / (liabilities)

Rs. in Crores

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

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

Rs. in Crores

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

(e) The movement in deferred tax assets and (liabilities) during the year:

Rs. in Crores

	Depreciation & Amortisation (including unabsorbed depreciation)	Employee Benefits Obligation	Tax losses and other timing differences	Total
As at April 1, 2021	**(612.86)**	**5.96**	**74.79**	**(532.11)**
Acquisition through business combination	(12.64)	-	-	(12.64)
Statement of Profit and Loss (charge) /credit	(161.60)	(0.44)	5.24	(156.80)
(Charge)/credit relating to other comprehensive income	2.78	(25.91)	(6.88)	(30.01)
Transalation exchange difference	(3.96)	1.26	0.57	(2.13)
As at March 31, 2022	**(788.28)**	**(19.13)**	**73.72**	**(733.69)**
Acquisition through business combination	(35.52)	-	(0.79)	(36.31)
Statement of Profit and Loss (charge) /credit	(83.33)	2.12	10.93	(70.28)
(Charge)/credit relating to other comprehensive income	(19.20)	26.51	26.59	33.90
Transalation exchange difference	(14.08)	0.10	5.96	(8.02)
As at March 31, 2023	**(940.41)**	**9.60**	**116.41**	**(814.40)**

Notes

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

Consequent to the amendments in the Indian Income Tax Act, 1961, depreciation on Goodwill is no longer available as a deduction from taxable income with effect from 1st April 2020, except that it's written down value is available as a deduction in the event of sale of the underlying business. On goodwill of Rs 3578.51 Crores recognised in the financial statements of the Parent Company, through business combinations, no additional taxable temporary differences are expected to arise, having regard to the nature of the businesses to which the goodwill relates. [Also refer notes 2.3(a) and 6].

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities only if they relate to income taxes levied by the same authority.

(f) Unrecognised tax items

As at March 31, 2023, unrecognised deferred tax assets on account of tax losses amount to Rs 263.72 Crores (Rs 245.09 Crores) in various jurisdictions, which can be carried forward up to a specified period or indefinitely.

21. REVENUE FROM OPERATIONS

Rs. in Crores

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

22. OTHER INCOME

Rs. in Crores

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

Notes

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

23. COST OF MATERIALS CONSUMED

Rs. in Crores

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

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

Rs. in Crores

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

25. EMPLOYEE BENEFITS EXPENSE

Rs. in Crores

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

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

Employee Shared based payment incentives

The Parent Company has share based incentives for certain employees under Tata Consumer Products Limited - Share-based Long Term Incentive Scheme 2021 ("TCPL SLTI Scheme 2021") approved by Nomination and Remuneration Committee (NRC).

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

The Parent Company has granted performance share units at an exercise price of Re 1 per share. Shares granted will vest after 3 years from date of grant. Number of shares that will vest range from 0.5 to 1.2 per performance share unit granted depending on performance measures achieved.

Notes

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

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

During the year, the performance shares units were granted on May 04, 2022 and August 10, 2022. The estimated fair value of performance share units are based on the quoted share price. The aggregate of the estimated fair values of the performance share units granted is Rs 8.59 Crores (Rs 5.36 crores) which will be recognised in the Statement of Profit and Loss over the vesting period.

26. FINANCE COSTS

Rs. in Crores

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

27. DEPRECIATION AND AMORTISATION EXPENSE

Rs. in Crores

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

28. OTHER EXPENSES

Rs. in Crores

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

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

Notes

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

29. EXCEPTIONAL ITEMS

Rs. in Crores

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

30. EARNINGS PER SHARE

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

31. RESEARCH & DEVELOPMENT EXPENDITURE RECOGNISED DURING THE YEAR

Rs. in Crores

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

32. CAPITAL COMMITMENT

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

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

Notes

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

33. CONTINGENCIES:

a) Statutory and Commercial claims:

Rs. in Crores

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

b) Past service liabilities and certain labour disputes for which amounts are not ascertainable. Labour disputes under adjudication for an Indian subsidiary Rs 0.65 Crores (Rs 0.65 Crores).

34. LITIGATIONS

i) Commercial liability claims not established – amounts not ascertainable

II) Parent Company's overseas subsidiary in US along with several other coffee companies that roast, package, market and/or sell coffee in the State of California are defendants in public interest litigation filed by an organisation named Council of Education and Research on Toxics (CERT). The litigation contends that since coffee contains the chemical acrylamide, warning have to be included for coffee sold in that state pursuant to California state law. Acrylamide is not added to coffee but forms in trace amounts as part of a chemical reaction that occurs in coffee beans when they are roasted. The subsidiary is part of a Joint Defense Group (JDG) that is arguing the case on behalf of several leading coffee companies as defendants. During 2018 the California Office of Environmental Health Hazard Assessment (OEHHA) proposed a new regulation clarifying that cancer warnings are not required for coffee under Proposition 65 list and subsequently in June 2019, the proposed regulation was adopted by the Office of Administrative law which became law on October 1, 2019. The JDG filed a motion for summary judgment in January, 2020 which was granted in August, 2020. As a result, the litigation was dismissed and final judgment was entered on October 6, 2020. Plaintiff had filed appeal in April, 2021, which was heard by California Court of Appeal in September 2022 and in November 2022, the Court of Appeal ruled in the Defense's favour confirming the trial court's dismissal of the case. CERT sought a rehearing which the Court of Appeal declined. In December 2022, CERT filed a petition for review to the California Supreme Court which was denied in February 2023. The Defense now await the Supreme Court's remittitur to the Court of Appeal, which, in turn, will issue a remittitur to the trial court to affirm the judgment in defendant's favour. While the Company believes that the California state court actions, now concluded, are dispositive of the matter, CERT has a right to seek review from the US Supreme Court until mid-May 2023.

35. LEASES

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

Lease liabilities as at March 31, 2023

Rs. in Crores

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

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

Contractual maturities of lease liabilities on an undiscounted basis:

Rs. in Crores

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

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

Extension and termination options

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

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

Rs. in Crores

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

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

Rs. in Crores

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

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

36. INTEREST IN OTHER ENTITIES

a) Subsidiaries

The Group's subsidiaries as at March 31, 2023 are given below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group. The country of incorporation or registration is also their principal place of business and effective ownership are listed below:

Sl No.	Name of entity	Country of incorporation	Principal Activities	Effective ownership (%)		Interest held by non-controlling interests (%)	
				2023	2022	2023	2022
1	Tata Consumer Products UK Group Ltd.	U K	Holding company	100.00	89.85	-	10.15
	Subsidiaries of Tata Consumer Products UK Group Ltd.						
2	Tata Global Beverages Holdings Ltd.	U K	Dormant	100.00	89.85	-	10.15
3	Tata Global Beverages Services Ltd.	U K	Dormant	100.00	89.85	-	10.15
4	Tata Consumer Products GB Ltd.	U K	Manufacturing of tea, marketing and distribution of beverages and food products	100.00	89.85	-	10.15
5	Tata Consumer Products Overseas Holdings Ltd.	U K	Holding company	100.00	89.85	-	10.15
6	Tata Global Beverages Overseas Ltd.	U K	Dormant	100.00	89.85	-	10.15
7	Lyons Tetley Ltd.	U K	Dormant	100.00	89.85	-	10.15
8	Drassington Ltd.	U K	Dormant	100.00	89.85	-	10.15
9	Teapigs Ltd.	U K	Marketing and distribution of tea	100.00	89.85	-	10.15
10	Teapigs US LLC	USA	Marketing and distribution of tea	100.00	89.85	-	10.15
11	Stansand Ltd.	U K	Dormant	100.00	89.85	-	10.15
12	Stansand (Brokers) Ltd.	U K	Dormant	100.00	89.85	-	10.15
13	Stansand (Africa) Ltd.	Kenya	Purchase and sale of tea	100.00	89.85	-	10.15
14	Stansand (Central Africa) Ltd.	Malawi	Purchase and sale of tea	100.00	89.85	-	10.15
15	Tata Consumer Products Polska sp.zo.o	Poland	Marketing and distribution of tea	100.00	89.85	-	10.15
16	Tata Consumer Products US Holdings Inc.	USA	Holding company	100.00	89.85	-	10.15
17	Tetley USA Inc.	USA	Marketing and distribution of tea	100.00	89.85	-	10.15
18	Tata Waters LLC	USA	Marketing and distribution of beverages and food products	100.00	89.85	-	10.15
19	Good Earth Corporation.	USA	Holding company	100.00	89.85	-	10.15
20	Good Earth Teas Inc.	USA	Marketing and distribution of tea	100.00	89.85	-	10.15
21	Tata Consumer Products Canada Inc.	Canada	Marketing and distribution of beverages and food products	100.00	89.85	-	10.15
22	Tata Consumer Products Australia Pty Ltd.	Australia	Marketing and distribution of tea	100.00	89.85	-	10.15
23	Earth Rules Pty Ltd.	Australia	Dormant	100.00	89.85	-	10.15
24	Tata Global Beverages Investments Ltd.	U K	Dormant	100.00	89.85	-	10.15
25	Campestres Holdings Ltd.	Cyprus	Holding company	100.00	89.85	-	10.15
26	Kahutara Holdings Ltd.	Cyprus	Holding company	100.00	89.85	-	10.15

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

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

* on fully diluted basis

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

Notes

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

(b) Non-Controlling Interest (NCI)

The material non-controlling interests in the Group arise from the Group's 57.48% share in Tata Coffee Limited (which is the holding company of Consolidated Coffee Inc., USA and its subsidiaries and Tata Coffee Vietnam Company Ltd.). In the previous year, material non-controlling interest included 10.15% minority stake in Tata Consumer Products UK Group (Intermediate holding Company in the UK) which was acquired by Group during the year.

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

Summarised Balance Sheet:

Rs in Crores

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

Summarised Statement of Profit and Loss:

Rs in Crores

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

Summarised Statement of Cash Flows:

Rs in Crores

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

Notes

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

(c) Interest in Joint Ventures and Associates

Rs. in Crores

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

Joint Ventures

A list of Group's joint ventures is given below. All joint ventures are included in the Group's financial statements using the equity method of accounting:

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2023	% holding 2022
1	Tata Starbucks Private Ltd.	India	Operating Starbucks Cafes in India	50.00	50.00
2	Tetley Clover (Pvt) Ltd. (under liquidation)	Pakistan	Manufacturing, marketing and distribution of tea	50.00	50.00
3	Tetley ACI (Bangladesh) Ltd. (upto February 8, 2023)	Bangladesh	Manufacturing, marketing and distribution of tea	-	50.00
4	Joekels Tea Packers (Proprietary) Ltd. (upto December 27, 2022)	South Africa	Manufacturing, marketing and distribution of tea	-	51.70

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

Rs. in Crores

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

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

Financial information

None of the joint ventures of the Group is individually material, financial information aggregating 100% of the results is as follows:

Rs. in Crores

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

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

The joint ventures have no significant contingent liabilities to which the Group is exposed, and the Group has no significant contingent liabilities in relation to its interest in the joint ventures and associates. The risks associated with the Group's interest in joint ventures are the same as those identified for the Group.

Associates

A list of Group's associates is given below. All associates are included in the Group's financial statements using the equity method of accounting:

Sl No.	Name of entity	Country of incorporation	Principal Activities	% holding 2023	% holding 2022
1	Amalgamated Plantations Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	41.03	41.03
2	Kanan Devan Hills Plantation Co. Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	28.52	28.52

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

Rs. in Crores

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

Financial information

None of the associates of the Group is individually material, financial information aggregating 100% of the results is as follows:

Rs. in Crores

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

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

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

37. FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

Rs. in crores

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

Rs. in crores

2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments								
Quoted Equity Investments	-	19.92	-	19.92	19.92	-	-	19.92
Unquoted Equity Investments *	-	139.29	-	139.29	-	7.33	131.96	139.29
Unquoted Preference Shares	205.73	-	-	205.73	-	-	205.73	205.73
Units of Mutual Funds	198.03	-	-	198.03	198.03	-	-	198.03
Loans								
Non-current	-	-	14.01	14.01	-	-	-	-
Current	-	-	659.94	659.94	-	-	-	-
Trade Receivables	-	-	835.15	835.15	-	-	-	-
Cash and Cash Equivalent	-	-	1497.97	1497.97	-	-	-	-
Other Bank balances	-	-	1101.92	1101.92	-	-	-	-
Other Financial Assets								
Non-current	-	-	35.69	35.69	-	-	-	-
Current	31.25	7.46	145.59	184.30	-	38.71	-	38.71
	435.01	**166.67**	**4290.27**	**4891.95**	**217.95**	**46.04**	**337.69**	**601.68**
Financial liabilities								
Borrowings								
Non-current	-	-	241.87	241.87	-	-	-	-
Current	-	-	768.72	768.72	-	-	-	-
Lease Liabilities								
Non-current	-	-	350.91	350.91	-	-	-	-
Current	-	-	50.51	50.51	-	-	-	-
Trade payables	-	-	1915.85	1915.85	-	-	-	-
Other Financial Liabilities								
Non-current	76.91	-	16.23	93.14	-	76.91	-	76.91
Current	20.58	4.51	186.69	211.78	20.58	4.51	-	25.09
	97.49	**4.51**	**3530.78**	**3632.78**	**20.58**	**81.42**	**-**	**102.00**

* For certain unquoted equity investments categorized under level 3, cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represent the best estimate of fair value within that range. For other assets and liabilities categorised under level 3, a one percentage point change in the unobservable inputs used in fair valuation does not have a significant impact in its value.

Notes

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

Measurement of fair values

The basis of measurement in respect to each class of financial asset / liability is disclosed in Note 2.2(h) of the financial statements.

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

B. Financial risk management

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

- Credit risk ;
- Liquidity risk ;
- Market risk

i. Risk management framework

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

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Group's credit risk are spread both geographically as well as across customers. Majority of our customers in the developed markets have good credit rating. In addition, Group has an established credit policy and a credit review mechanism. The Group also covers certain category of its debtors through a credit insurance policy. The insurance provider sets an individual credit limit and also monitors the credit risk of the consumer. The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of financial assets. Financial assets are classified into performing, under-performing and non-performing. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Group is certain about the non-recovery.

a. Trade Receivables

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

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

Notes

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

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

Rs. in Crores

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

b. Financial instruments and cash deposits

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

iii. Liquidity Risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations. The Group's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time.

Exposure to liquidity risk

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

Rs. in Crores

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

Rs. in Crores

2022	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 Years
Borrowings	768.72	59.26	119.04	74.56
Trade payables	1915.85	-	-	-
Other financial liabilities	225.28	1.92	77.71	-
	2909.85	**61.18**	**196.75**	**74.56**

The Group ensures that there is adequate finance available to fund growth and has adequate capacity to fund its obligations. The Group monitors rolling forecasts of its liquidity positions on the basis of expected cash flows to ensure sufficient liquidity through its cash reserves and various undrawn third party borrowing arrangements in place. The Group is also confident that if the need arises debt can be raised from the market at attractive terms. The Parent Company carries highest credit rating quality for its short term fund based lines from a reputed rating agency.

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iv. Market risk

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

Currency risk

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

The Group uses various derivative financial instruments governed by its board approved policy, such as foreign exchange forward and option contracts to mitigate the said risk. The counterparty for these contracts is generally a bank. The Group reports periodically to the Audit Committee of the board, the various foreign exchange risk and policies implemented to manage its foreign exchange exposures.

During the year ended March 31, 2023, the Group has designated certain foreign exchange forward contracts and option contracts as cash flow hedges to mitigate the risk of foreign currency exposure on highly probable forecasted transactions. Hedge effectiveness is determined at inception and periodic prospective effectiveness testing is done to ensure the relationship exist between the hedged items and hedging instruments, including whether the hedging instruments is expected to offset changes in cash flows of hedge items.

The currency profile of financial assets and financial liabilities:-

Rs. in Crores

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

Rs. in Crores

2022	USD	GBP	CAD	Other Currencies	Total
Trade Receivable and Other Financial Assets including loans/advances	232.62	3.98	-	24.42	261.02
Trade Payables and Other Financial Liabilities	43.67	-	0.05	46.87	90.59

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

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

* converted at the year end exchange rates

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

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

Details	2023		2022	
	Effect on Profit before tax	Effect on Pre-tax Equity	Effect on Profit before tax	Effect on Pre-tax Equity
5% appreciation of the underlying foreign currencies	2.52	(23.78)	1.72	(15.71)
5% depreciation of the underlying foreign currencies	(2.52)	24.98	(1.72)	16.25

Interest rate risk

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

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

Category	Currency pair	2023			2022		
		Foreign Currency in Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores*	Foreign Currency in Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores*
Term Loan **	USD	17.64	145.01	4.09	22.33	169.23	(4.51)

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

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

Rs. in Crores

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

Price Risk

Commodity Price risk

The Group is exposed to fluctuations in price of certain commodities mainly tea, salt, pulses and coffee. Mismatch in demand and supply, adverse weather conditions, market expectations etc, can lead to price fluctuations. For tea, these fluctuations are managed through active sourcing, distribution of source of supply, private purchases and alternate blending strategies without impacting the quality of the blend. For salt and pulses, these fluctuations are managed through active sourcing and commercial negotiation with customers and suppliers.

Further, the Group uses coffee futures and option contracts for US coffee operations, to reduce the price risk associated with forecasted purchases of coffee beans.

The Group enters into coffee futures based on market price and anticipated production requirements. These coffee futures have been designated as cash flow hedges and the unrealised gain / (loss) or fair value is recorded in other comprehensive income (OCI). The Group also enters into various call and put option contract to protect the price. The fair value of the unsettled contracts is recorded in other current assets or other current liabilities. The realised and unrealised gains and losses on these contracts are included in Statement of Profit and Loss as a part of Cost of Materials Consumed.

Outstanding position for various commodity derivatives financial instruments:

Commodity	Futures & Options	2023			2022		
		Notional Value in USD Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores*	Notional Value in USD Mn	Equivalent Amount in Rs in Crores *	Fair Value Amount in Rs in Crores*
a) Coffee	Futures (Net)	15.83	130.11	2.23	24.85	188.37	2.72
b) Coffee	Options (Net)	1.56	12.85	0.10	3.15	23.84	0.38

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

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Equity investment Price risk

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

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

Capital Management

The Group's objective for capital management is to maximise shareholder wealth, safeguard business continuity and support the growth of the Group. The Group determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows.

The Group's adjusted net debt and equity position as at March 31, 2023 was as follows

Rs. in Crores

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

38. EMPLOYEE BENEFITS OBLIGATION

(i) Defined Contribution plans

The Group operates certain defined contribution schemes like provident fund and defined contribution superannuation schemes. Contributions are made by the Group, based on current salaries, to funds maintained by the Group and, for certain categories contributions are made to State Plans. For certain schemes, contributions are also made by the employees. Amount recognised in the statement of profit and loss on account of defined contribution schemes is Rs 53.49 Crores (Rs 50.15 Crores).

(ii) Defined benefit plans

(a) Pension benefits

The Group also operates defined benefits pension plans in India and UK. The defined benefit schemes in India, which are closed to future accruals, offer specified benefits to the employees on retirement. Annual actuarial valuations are carried out by independent actuaries. Wherever funds have been set up, annual contributions are also made by the Group. Employees are not required to make any contribution.

The Group sponsors a defined benefit pension plan, the Tetley GB Final Salary Scheme (the "Scheme"), in the UK with benefits based on final salary. The Group closed the Scheme to future accrual with effect from 6 April 2005. The final salary pension plans provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on the members' length of service and their salary in the schemes final year. Payments from the scheme are generally indexed in line with the retail price index. The benefit payments are from trustee-administered funds. Responsibility for governance of the plan including investment decisions lies with the board of trustees.

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

Contribution schedules are triennially agreed between the Group and the board of trustees. The board of trustees comprise of representatives of the Group and plan participants in accordance with the plan's regulations.

(b) Gratuity

The Group provides for gratuity for employees in India covering eligible employees. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

(c) Post-employment medical benefits

The Group operates post-employment medical benefits scheme to eligible employees in India and to former employees in the UK and the US. These plans are unfunded and the valuation method is similar to those used for defined benefit pension schemes.

(d) Others

There are other superannuation benefits restricted to certain categories of employees/directors in the form of pension, medical and other benefits in terms of a specific policy.

(e) Post-employment life assurance benefits

The Group operates post-employment life assurance benefits to former employees in the US. These plans are unfunded and the valuation method is similar to those used for defined benefit pension schemes.

(f) Leave obligation

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

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

Rs. in Crores

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

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

Rs. in Crores

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

Changes in the Defined Benefit Obligation :

Rs. in Crores

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

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

Rs. in Crores

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

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

Rs. in Crores

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

Amounts recognised in Other Comprehensive Income for the year:

Rs. in Crores

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

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Principal Actuarial assumptions used:

India	2023	2022
Discount rates	7.5%/7.6%	5.66%/6.60%/6.95%/7.10%
Salary Escalation Rate	8% for Management Staff 7% for Staff /Workers	8% for Management Staff 7% for Staff /Workers
Annual increase in health care cost	8%	8%
Pension increase rate	18% after every three years	18% after every three years
Mortality rates	Indian Assured Lives Mortality (2012-14) Ult Table	Indian Assured Lives Mortality (2012-14) Ult Table

Overseas	2023	2022
Discount rate	4.70%	2.70%
Inflation assumptions		
- RPI	3.55%	3.90%
Rate of increase in pensions in payment	3.80%	3.95%
Rate of increase in pensions in deferment	3.55%	3.90%
Mortality Rates	Approved norms for overseas schemes	Approved norms for overseas schemes

Quantitative sensitivity analysis for significant assumption as at the year ended March 31, 2023 is as below:

Rs. in Crores

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

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Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. For the overseas pension fund, interest rate and inflation risks have been hedged, as explained in the section on risk hereunder.

Major Categories of Plan Assets :

Rs. in Crores

	India				Overseas	
	Pension		Gratuity		Pension	
	2023	2022	2023	2022	2023	2022
Insurance managed Funds	3.35	3.67	158.30	154.61	-	-
Equities	-	-	-	-	-	146.96
Liability Driven Investments (LDI)	-	-	-	-	669.34	714.96
Multi asset credit	-	-	-	-	-	226.40
Diversified growth funds	-	-	-	-	-	118.17
Corporate bonds	-	-	-	-	572.70	469.69
Cash & Insurance policies	-	-	-	-	16.27	27.81
Others	0.07	0.14	0.15	0.23	-	-
Total	**3.42**	**3.81**	**158.45**	**154.84**	**1258.31**	**1703.99**

Risks

India

The Group contributes all its ascertained liabilities towards gratuity to the trust set up for the same. Trustees administer the contributions made to the trust. As at March 31, 2023 and March 31, 2022, the plan assets have been primarily invested in insurer managed funds.

Overseas

The nature of the Scheme exposes the Group to the risk of paying unanticipated additional contributions to the Scheme in times of adverse experience. The most financially significant risks are likely to be:

– **Asset volatility**

The Scheme's liabilities are calculated using a discount rate set with reference to corporate bond yields in line with the requirements of Ind AS 19. If the Scheme assets underperform this yield, it will increase the deficit.

– **Changes in bond yields**

A decrease in corporate bond yields will increase Scheme liabilities. In the event of a reduction in the corporate bond yields there will be an increase in the value of the Scheme's interest rate swaps and derivatives held which reduce exposure to the risk by approximately 100%.

– **Inflation risk**

The Group pension obligations are linked to inflation, and higher inflation will lead to higher liabilities. The hedging strategy in place means through the use of inflation swaps and derivatives the Scheme assets hedge approximately 100% of this risk.

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– **Life expectancy**

The Scheme's obligation is to provide benefits for the life of the members. An increase in life expectancy will result in an increase in the Scheme's liabilities.

Asset-liability matching strategies used by the overseas scheme

The Scheme's stated investment strategy includes holding a benchmark allocation of 50% to liability-driven investments which involves hedging the Scheme's exposure to changes in interest rates and inflation through the use of liability driven investments (LDI) which typically involves swaps and derivatives. The benchmark allocation also includes a 50% benchmark holding in corporate bonds.

Expected contributions over the next financial year:

The Group expect to contribute approximately Rs 4.10 Crores to the scheme in the year ending March 31, 2024.

Maturity Profile of defined benefit obligation (undiscounted basis)

Rs. in Crores

	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Within next 12 months	1.50	1.64	22.86	23.10	2.50	2.23	6.29	6.70	74.26	67.52
Between 2 and 5 years	2.11	2.56	59.23	56.01	10.94	9.76	29.85	30.30	247.19	233.36
Between 6 and 9 years	0.98	1.22	56.83	57.93	12.35	11.09	32.43	33.34	278.72	267.12
10 years and above	1.33	1.63	180.94	168.82	96.75	92.75	170.52	161.41	1637.74	1689.09

Post-employment life assurance benefits - Overseas

The Group operates post-employment life assurance benefits to former employees in the US. These plans are unfunded and the valuation method is similar to those used for defined benefit pension schemes. The liability recognised in the balance sheet as at March 31, 2023 was Rs 3.10 Crores (Rs 3.43 Crores).

Post-employment medical benefits - Overseas

The Group operates post –employment medical benefits scheme to eligible former employees in the UK and the US. These plans are unfunded and the valuation method is similar to those used for defined benefit pension schemes with the addition of actuarial assumptions relating to the long-term increase in healthcare costs in the US of 4.80% p.a. and in the UK of 6.5% p.a. The liability recognised in the balance sheet as at March 31, 2023 was Rs 6.65 Crores (Rs 6.49 Crores).

(iii) Provident Fund

The Parent Company and its Indian subsidiary operate Provident Fund Schemes and the contributions are made to recognised funds maintained by the Parent Company and an Indian subsidiary and for certain categories contributions are made to State Plans. The said companies have an obligation to fund any shortfall on the yield of the trust's investments over the administered rates on an annual basis. The Actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumption.

The details of fund and plan assets position are given below:

Rs. in Crores

	2023	2022
Plan Assets as at year end	326.23	303.28
Present value of Funded Obligation at period end	326.23	303.28
Amount recognised in the Balance Sheet	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Rs. in Crores

	2023	2022
Guaranteed Rate of Return	8.15%	8.10%
Discount Rate for remaining term to Maturity of Investment	6.75%/7.55%	6.30%/6.80%
Expected Rate of Return on Investment	7.94%/8.14%	8.42%/8.47%

39. SEGMENT INFORMATION

A. General Information

The Group has organised its businesses into Branded Segment and Non-Branded Segment. Branded Segment is further sub-categorised as India Business and International Business.

Description of each segment is as follows:

i) **Branded Business -**

India Business: Sale of branded tea, coffee & water and sale of food products in various value added forms

International Business: Sale of branded tea, coffee & water and sale of food products in various value added forms.

ii) **Non Branded Business: Plantation and Extraction business for tea, coffee and other produce.**

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators of the operating segments. The CODM reviews revenue and operating profits as the performance indicator for all of the operating segments and also reviews the total assets and liabilities of an operating segment.

B. Information about reportable segments

a) Segment Revenue

Rs. in Crores

	2023	2022
Branded Business		
India Business	8716.98	7913.54
International Business	3589.47	3335.66
Total Branded	**12306.45**	**11249.20**
Non Branded Business	**1500.07**	**1214.44**
Total Segments Revenue	**13806.52**	**12463.64**
Others	48.68	13.78
Less: Inter-Segment Revenue	(72.04)	(52.05)
Revenue from External Customer	**13783.16**	**12425.37**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

b) Segment Results

Rs. in Crores

	2023	2022
Branded Business		
India Business	1192.85	1011.67
International Business	379.81	478.37
Total Branded	**1572.66**	**1490.04**
Non-Branded Business	**122.42**	**92.65**
Total Segment Results	**1695.08**	**1582.69**
Add/Less:		
Other Income*	151.42	109.94
Finance Cost	(87.16)	(72.78)
Unallocable items	(125.23)	(111.80)
Exceptional Items	159.45	(52.06)
Profit before Income Tax	**1793.56**	**1455.99**

*Excludes other income considered as part of segment results.

c) Segment Assets and Liabilities

Rs. in Crores

Segment Assets	2023	2022
Branded Business		
India Business	9305.33	9099.75
International Business	6070.66	5384.58
Total Branded Business	**15375.99**	**14484.33**
Non-Branded Business	**1880.04**	**1752.27**
Total Segment	**17256.03**	**16236.60**
Unallocable Corporate Assets	5555.10	4880.99
Total Assets	**22811.13**	**21117.59**

Rs. in Crores

Segment Liabilities	2023	2022
Branded Business		
India Business	2058.79	1756.03
International Business	947.29	785.88
Total Branded Business	**3006.08**	**2541.91**
Non-Branded Business	**210.45**	**178.91**
Total Segment	**3216.53**	**2720.82**
Unallocable Corporate Liabilities	2467.72	2103.21
Total Liabilities	**5684.25**	**4824.03**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

d) Addition to non-current assets

Rs. in Crores

	2023	2022
Branded Business		
India Business	136.33	532.74
International Business	409.25	122.53
Total Branded Business	**545.57**	**655.27**
Non-Branded Business	**66.93**	**111.25**
Total Segments	**612.50**	**766.53**

Non-current assets do not include financial instruments, deferred tax assets, post-employment benefit assets.

e) Depreciation and Amortisation Expense

Rs. in Crores

	2023	2022
Branded Business		
India Business	173.84	155.18
International Business	73.51	68.01
Total Branded Business	**247.35**	**223.19**
Non-Branded Business	**56.73**	**54.82**
Total Segments	**304.08**	**278.01**

C. Additional information by Geographies

Rs. in Crores

Revenue by Geographical Market	2023	2022
India	9734.45	8711.70
USA	1848.30	1638.01
United Kingdom	1243.77	1232.44
Rest of the World	956.64	843.22
Revenue from External Customer	**13783.16**	**12425.37**

Rs. in Crores

Non-Current Assets by Geographical Market	2023	2022
India	8129.09	8156.82
USA	1807.60	1681.11
United Kingdom	2098.62	1933.71
Rest of the World	1404.80	1143.44
Total Non Current Assets	**13440.10**	**12915.08**

Notes to Segment information

a) The segment wise revenue, results, assets and liabilities figures relate to the respective amounts directly identifiable to each of the segments. Un-allocable items include expenses incurred on common services at the corporate level.

b) Pricing of inter segment transfers are based on benchmark market prices.

c) Revenue from geographical market is based on the location of origin of sale.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

40. RELATED PARTY TRANSACTION

a) Related parties other than Joint Ventures and Associates with whom Group has transactions are given below, Refer Note 36 for list of Joint Ventures and Associates.

Promoter

Tata Sons Private Limited

Subsidiaries and Joint Venture of Tata Sons Private Limited

Tata Consultancy Services Limited
Tata Investment Corporation Limited
Tata Housing Development Company Limited
Tata AIG General Insurance Limited
Tata AIA Life Insurance Co Limited
Taj Air Limited
Infiniti Retail Limited
Tata International Limited
Tata International Singapore PTE Limited
Tata International Vietnam Company Limited
Tata Elxsi Limited
Ewart Investments Limited
Tata Uganda Limited
Tata Industries Limited
Tata Capital Financial Services Limited
Tata Communications Limited
Tata Teleservices Limited
Tata Teleservices Maharastra Limited
Super Market Grocery Supplies Private Limited
Tata Limited
Tata Realty Infrastructure Limited
Tata Digital Limited
Innovative Retail Concepts Private Limited
Tata 1MG Healthcare Solutions Limited
Tata International West Asia DMCC

Key Managerial Personnel

Mr. Sunil D'Souza - Managing Director & CEO
Mr. L Krishna Kumar - Executive Director & Group CFO

Employee Benefit Funds

Tata Tea Limited Management Staff Gratuity Fund
Tata Tea Limited Management Staff Superannuation Fund
Tata Tea Limited Staff Pension Fund
Tata Tea Limited Gratuity Fund
Tata Tea Limited Calcutta Provident Fund
Tata Coffee Staff Provident Fund Trust
Tata Coffee Superannuation Fund
Tata Coffee Group Gratuity Fund

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

(b) Particulars of transactions during the year ended March 31, 2023:

Rs in Crores

	2023	2022
Sale of Goods and Services		
- Joint Ventures	50.22	24.42
- Associates	1.76	2.99
- Subsidiaries and Joint Ventures of Promoter	223.89	159.92
Other Operating Income		
- Joint Ventures	32.62	19.08
- Associates	5.26	3.60
Purchase of Goods & Services		
- Joint Ventures	-	0.60
- Associates	177.78	214.33
- Subsidiaries and Joint Ventures of Promoter	52.75	49.85
Rent Paid		
- Associates	2.05	2.18
Other Expenses (Net)		
- Associates	15.78	6.80
- Promoter	34.30	30.36
- Subsidiaries and Joint Ventures of Promoter	97.76	98.26
Directors Remuneration *	14.37	14.07
Dividend Paid		
- Promoter	163.69	109.58
- Subsidiaries and Joint Ventures of Promoter	29.54	20.68
Dividend/Interest Received		
- Joint Ventures	10.78	10.76
- Associates	1.87	2.15
- Promoter	1.76	1.76
- Subsidiaries and Joint Ventures of Promoter	5.62	4.42
Reimbursement of Expenditure/(Income)		
- Joint Ventures	(0.28)	(1.82)
- Associates	(4.69)	(3.16)
- Promoter	0.09	0.17
Intercorporate Loan / Deposits Given		
- Associates	4.00	-
- Subsidiaries and Joint Ventures of Promoter	215.00	190.00
Deposit redeemed		
- Subsidiaries and Joint Ventures of Promoter	270.00	190.00
- Associates	4.25	3.50
Investments Made		
- Joint Ventures	100.00	86.00
- Associates	50.00	150.00
Investments Purchase		
- Subsidiaries and Joint Ventures of Promoter	-	488.34
Contribution to Funds - Employee Benefit Plans	32.17	34.50

* Provision for employee benefits, which are based on actuarial valuation done on an overall basis, is excluded. The above does not include share of recurring/special benefits payables to former directors.

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to the Consolidated Financial Statements for the year ended March 31, 2023

c) Details of material transactions (i.e exceeding 10% in of total transaction values in respective category) with related party:

Rs in Crores

	2023	2022
Sale of Goods and Services		
- Joint Ventures		
Tata Starbucks Pvt. Ltd.	50.22	23.86
- Associates		
Amalgamated Plantations Pvt Limited.	0.89	2.55
- Subsidiaries and Joint Ventures of Promoter		
Supermarket Grocery Supplies Private Limited	93.09	58.64
Innovative Retail Concepts Private Limited	130.31	100.75
Other Operating Income		
- Joint Ventures		
Tata Starbucks Pvt. Ltd.	32.62	19.08
- Associates		
Kanan Devan Hills Plantation Company Pvt. Ltd.	5.26	3.60
Purchase of Goods & Services		
- Associates		
Amalgamated Plantations Pvt Ltd.	102.19	128.97
Kanan Devan Hills Plantation Company Pvt. Ltd.	75.59	85.36
- Subsidiaries and Joint Ventures of Promoter		
Tata Uganda Ltd.	39.51	34.77
Rent Paid		
- Associates		
Amalgamated Plantations Pvt Ltd.	1.44	1.38
Kanan Devan Hills Plantation Company Pvt. Ltd.	0.61	0.80
Other Expenses (Net)		
- Associate - Kanan Devan Hills Plantation Company Pvt. Ltd.	15.78	6.80
- **Promoter** - Tata Sons Private Limited	34.30	30.36
- Subsidiaries and Joint Ventures of Promoter		
Tata Consultancy Services Limited	30.54	46.09
Tata AIG General Insurance Limited	38.31	30.71
Tata Communications Limited	15.96	15.68
Dividend Paid		
- Promoter - Tata Sons Private Limited	163.69	109.58
- Subsidiaries and Joint Ventures of Promoter		
Tata Investment Corporation Limited	26.79	17.93
Dividend/Interest Received		
- Joint Ventures		
Joekels Tea Packers (Proprietary) Limited	10.78	10.76
- Associates		
Kanan Devan Hills Plantation Company Pvt. Ltd.	1.87	2.15
- Promoter - Tata Sons Private Limited	1.76	1.76

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to the Consolidated Financial Statements for the year ended March 31, 2023

Rs in Crores

	2023	2022
- Subsidiaries and Joint Ventures of Promoter		
Infiniti Retail Limited	4.56	3.03
Tata Housing Development Company Limited	-	0.24
Reimbursement of Expenditure/(Income)		
- Associates		
Amalgamated Plantations Pvt Ltd.	(2.01)	(1.34)
Kanan Devan Hills Plantations Company Pvt. Ltd.	(2.68)	(1.82)
Intercorporate Loan/ Deposits Given		
- Associates		
Kanan Devan Hills Plantations Company Pvt. Ltd.	4.00	-
- Subsidiaries and Joint Ventures of Promoter		
Infiniti Retail Limited	215.00	190.00
Intercorporate Loan/ Deposit redeemed		
- Associates		
Kanan Devan Hills Plantations Company Private Limited	4.25	3.50
-Subsidiaries and Joint Ventures of Promoter		
Infiniti Retail Limited	270.00	120.00
Tata Housing Development Company Limited	-	30.00
Tata International Limited	-	40.00
Investments Made		
- Joint Ventures		
Tata Starbucks Pvt. Ltd.	100.00	86.00
-Associate		
Amalgamated Plantations Pvt Ltd.	50.00	150.00
Investments Purchase		
- Subsidiaries and Joint Ventures of Promoter		
Tata Realty Infrastruture Limited	-	47.13
Tata Limited	-	46.21
Tata industries Limited	-	395.00
Contribution to Funds - Employee Benefit Plans		
Tata Tea Limited Calcutta Provident Fund	22.47	19.83
Tata Coffee Limited Employees Gratuity Fund	4.65	4.24
Tata Tea Limited Gratuity Fund	0.13	4.76

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

d) Balance Outstanding as at March 31, 2023

Rs in Crores

	2023	2022
Debit		
- Joint Ventures	8.15	10.36
- Associates	9.57	11.81
- Subsidiaries and Joint Ventures of Promoter	76.03	104.80
Credit		
- Joint Ventures	-	0.64
- Associates	4.50	5.11
- Promoter	32.95	33.30
- Subsidiaries and Joint Ventures of Promoter	10.08	12.87
- Employee Benefit plans	1.49	6.58

41. BUSINESS COMBINATION

(a) Conversion of Joekels Tea Packers (Proprietary) Limited into a subsidiary

The Group has, with effect from December 28, 2022, acquired control over Joekels Tea Packers (Proprietary) Limited, South Africa by purchasing additional 23.3% stake from the joint venture partners taking the Parent company's holding to 75%, at a cash consideration of Rs 43.71 Crores and deferred contingent consideration of Rs 8.17 Crores. As per requirements of Ind AS 103 'Business Combinations', the Group has fair valued its existing equity interest and recognised a gain of Rs. 87.59 Crores in the Statement of Profit and Loss.

The fair value of the assets and liabilities acquired is shown below:

Rs. in Crores

Brands & Trademarks	84.11
Customer Relationships	42.66
Property Plant & Equipments and ROU Assets	25.07
Inventories	24.44
Trade and Other Receivables	42.56
Cash and Cash Equivalents	2.82
Total Assets	**221.66**
Loans and Finance Lease	23.98
Trade and Other Payables	24.00
Current and Deferred tax	37.98
Total Liabilities	**85.96**
Total Identifiable Net Assets acquired	**135.70**
Goodwill	95.73
Fair Value of Consideration	**231.43**

Fair Value of Consideration	Rs in Crores
Fair value of consideration transferred	51.88
Fair value of existing interest in the joint venture	121.69
Fair value of non-controlling interest	57.86
Total	**231.43**

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Goodwill on the above transaction reflects growth opportunities and synergy benefits which are not separately identifiable. The goodwill and other intangible assets recognised, arising on consolidation, are not depreciable for income tax purposes.

Deferred contingent consideration

The Deferred Contingent consideration has been classified as a financial liability as at the acquisition date as it is payable after 3 year from the end of the current financial year. Deferred contingent consideration has been computed by discounting projected cash flows and by assessment of the probability of achieving various financial performance targets.

Put and call Option

The non-controlling shareholders (NCI holder) of Joekels Tea Packers (Proprietary) Limited have entered into a put and call option agreement with Tata Consumer Products Overseas Limited (TCPOH), overseas subsidiaries of the holding company, in relation to their remaining equity investment in Joekels Tea Packers (Proprietary) Limited. In terms of the said agreement, the NCI holder has the right to exercise a put option whereby TCPOH is obliged to purchase the shares held by NCI holder at a valuation determined based on agreed formula on certain operating financial parameters between 5 and 6 years from the date of acquisition. Conversely, TCPOH has the right to exercise a call option on all the shares held by NCI holders between 5 and 6 years from the date of acquisition at a price determined as mentioned above. If none of the parties exercise their right of Put/Call option, after the expiry of 6 years, TCPOH and NCI holder both will have the option to purchase and sell respectively the remaining shares based on the mutually agreed fair market valuation of the Company, failing which, based on the market value as determined by an Independent Expert. The stipulated time period may be bought forward if certain events as per the agreement are triggered.

Acquired Receivables

Fair value of trade and other receivables acquired is Rs 42.56 Crores. These amounts are fully collectible.

Impact of above acquisition on the results

The acquired business contributed revenue of Rs 37.31 Crores and profit before tax of Rs 1.50 Crores, during the period post acquisition.

(b) Conversion of Tetly ACI (Bangladesh) Limited into a subsidiary

The Group has, with effect from February 9, 2023 acquired 100% control over Tetley ACI (Bangladesh) Limited by purchasing 50% stake from the joint venture partner at a cash consideration of Rs 8.72 Crores. As per requirements of Ind AS 103 'Business Combinations', the Group has fair valued its existing equity interest and recognised a gain of Rs. 5.56 Crores in the Statement of Profit and Loss.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

The fair value of the assets and liabilities acquired is shown below:

	Rs. in Crores
Property Plant & Equipment and ROU Assets	1.07
Inventory	5.52
Trade and Other Receivables	4.26
Cash & Cash Equivalents	0.10
Total Assets	**10.95**
Loans & Finance Lease	11.27
Trade and Other Payables	2.41
Current tax	2.02
Total Liabilities	**15.70**
Total Identifiable Net Assets acquired	**(4.75)**
Goodwill	16.44
Fair Value of Consideration	**11.69**

Fair Value of Consideration	Rs in Crores
Fair value of consideration transferred	8.72
Fair value of existing interest in the joint venture	2.97
Total	**11.69**

Acquired Receivables

Fair value of trade and other receivables acquired is Rs 4.26 Crores. These amounts are fully collectible.

Impact of above acquisition on the results

The acquired business contributed revenue of Rs 3.60 Crores and profit before tax of Rs 0.09 Crores, during the period post acquisition.

42. The Board of Directors of the Parent Company in its meeting held on March 29, 2022, had approved the composite scheme of arrangement (the scheme), amongst the Parent Company and its subsidiaries, Tata Coffee Limited (TCL) and TCPL Beverages & Foods Limited (TBFL), in terms of Section 230-232 and other applicable provisions of Companies Act, 2013.

The Scheme *inter alia* provides for the demerger of the Plantation Business (as defined in the Scheme) of TCL into TBFL and as consideration, issue equity shares of the Parent Company to all the shareholders of TCL (other than to itself) in accordance with the Share Entitlement Ratio mentioned in the Scheme. This would be followed immediately by the amalgamation of the TCL comprising of the Remaining Business (as defined in the Scheme) with the Parent Company and as consideration, issue equity shares of the Parent Company to all the shareholders of TCL (other than to itself) in accordance with the Share Exchange Ratio mentioned in the Scheme.

The Scheme would become effective after receipt of all requisite approvals as mentioned in the Scheme. Pending receipt of necessary approvals, no effect of the Scheme has been given in the financial results for the year ended March 31, 2023.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

43. ADDITIONAL REGULATORY INFORMATION

i) Financial Ratios

Particulars		Numerator	Denominator	2023	2022	Change
(a)	Current Ratio	Current Assets	Current Liabilities	2.12	2.25	-6%
(b)	Debt-Equity Ratio	Total Debt (Note 1)	Total Equity	0.09	0.09	4%
(c)	Debt service coverage ratio	Earnings available for debt service	Debt Service (Note 2)	8.98	2.37	279%*
(d)	Return on equity ratio	Profit for the year	Average Total Equity	7.90%	6.36%	154 bps
(e)	Inventory turnover ratio	Revenue from Operations	Average Inventory	5.55	5.50	1%
(f)	Trade receivables turnover ratio	Revenue from Operations	Average Trade Receivable	16.88	15.57	8%
(g)	Trade payables turnover ratio	Purchases and Other Services	Average Trade Payables	5.26	5.46	4%
(h)	Net capital turnover ratio	Revenue from Operations	Working Capital	3.14	3.14	0%
(i)	Net Profit ratio	Profit for the year	Revenue from Operations	9.58%	8.17%	141 bps
(j)	Return on capital employed	EBIT (Note 3)	Capital Employed (Note 4)	34.31%	32.82%	150 bps
(k)	Return on investment	Earnings from invested funds	Average invested funds in treasury investments	5.34%	3.12%	222 bps**

* Higher repayment of loan in previous year

** Increase in market yields

Note 1: Debt includes lease liability

Note 2: Debt service = Interest and Lease payments + Principal Repayments

Note 3: EBIT = Profit before exceptional items and tax + Finance costs - Interest and Investment income

Note 4: Capital Employed = Tangible Net Worth (including Non Current Investments) + Total Debt + Deferred Tax Liabilities

ii) Relationship with Struck off Companies

The Group does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the current year and in the previous year.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

44. Additional information, as required under Schedule III of the Companies Act, 2013, of entities consolidated as Subsidiary/Associates/Joint Ventures:

Sl. No.	Name of the Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As a % of Consolidated Net Assets	Amount (Rs in Crores)	As a % of Consolidated Profit or Loss	Amount (Rs in Crores)	As a % of Consolidated OCI	Amount (Rs in Crores)	As a % of Total Comprehensive Income	Amount (Rs in Crores)
	Parent								
	Tata Consumer Products Limited	74.46%	12753.26	78.92%	950.07	27.03%	23.98	75.36%	974.05
	Subsidiaries								
	Indian								
1	Tata Coffee Ltd.	7.93%	1358.29	19.22%	231.33	-0.19%	(0.17)	17.88%	231.16
2	NourishCo Beverages Ltd.	0.57%	97.02	2.70%	32.54	0.06%	0.05	2.52%	32.59
3	Tata Consumer Soulfull Private Ltd.	0.18%	30.22	-2.27%	(27.33)	0.03%	0.03	-2.11%	(27.30)
4	Tata Smartfoodz Ltd.	1.52%	260.50	-3.80%	(45.76)	-0.03%	(0.03)	-3.54%	(45.79)
5	TCPL Beverages & Foods Ltd.	0.04%	7.47	0.01%	0.16	-	-	0.01%	0.16
6	TRIL Constructions Ltd.	0.85%	145.17	-0.05%	(0.64)	-	-	-0.05%	(0.64)
7	Tata Tea Holdings Private Ltd.	0.00%	(0.03)	0.00%	(0.01)	-	-	0.00%	(0.01)
	Foreign								
1	Consolidated Coffee Inc. (Consolidated Financials)	6.54%	1119.43	9.86%	118.70	-24.47%	(21.71)	7.50%	96.99
2	Tata Coffee Vietnam Company Ltd.	0.78%	133.76	1.14%	13.67	8.93%	7.92	0.02	21.59
3	Tata Tea Extractions Inc.	2.60%	445.90	0.03%	0.35	-	-	0.03%	0.35
4	Tata Consumer Products Capital Ltd	5.21%	892.28	-1.90%	(22.93)	-	-	-1.77%	(22.93)
5	Tata Consumer Products UK Group Ltd.	35.67%	6108.36	1.17%	14.07	-	-	1.09%	14.07
6	Tata Global Beverages Holdings Ltd. (Dormant)	-	-	-	-	-	-	-	-
7	Tata Global Beverages Services Ltd. (Dormant)	-	-	-	-	-	-	-	-
8	Tata Consumer Products GB Ltd.	14.97%	2563.50	10.02%	120.67	-108.61%	(96.36)	1.88%	24.31
9	Tata Consumer Products Overseas Holdings Ltd.	-0.64%	(109.32)	1.02%	12.27	-	-	0.95%	12.27
10	Tata Global Beverages Overseas Ltd. (Dormant)	0.12%	-	-	-	-	-	-	-
11	Lyons Tetley Ltd. (Dormant)	0.00%	0.20	-	-	-	-	-	-
12	Drassington Ltd. (Dormant)	-	-	-	-	-	-	-	-
13	Teapigs Ltd.	0.61%	104.66	0.35%	4.21	-	-	0.33%	4.21
14	Teapigs US LLC	-0.06%	(9.79)	-0.09%	(1.11)	-	-	-0.09%	(1.11)
15	Tata Waters LLC	-0.04%	(6.02)	-0.12%	(1.40)	-	-	(0.00)	(1.40)
16	Stansand Ltd. (Dormant)	0.00%	0.05	-	-	-	-	-	-
17	Stansand (Brokers) Ltd. (Dormant)	0.00%	0.32	-	-	-	-	-	-
18	Stansand (Africa) Ltd.	0.09%	16.26	0.33%	3.94	-	-	0.30%	3.94
19	Stansand (Central Africa) Ltd.	0.03%	5.90	0.09%	1.11	-	-	0.09%	1.11
20	Tata Consumer Products Polska sp.zo.o	0.08%	14.53	0.14%	1.64	-	-	0.13%	1.64
21	Tata Consumer Products US Holdings Inc.	-0.88%	(150.51)	-0.57%	(6.84)	-	-	-0.53%	(6.84)
22	Tetley USA Inc.	1.70%	291.86	0.23%	2.81	-	-	0.22%	2.81

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Sl. No.	Name of the Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As a % of Consolidated Net Assets	Amount (Rs in Crores)	As a % of Consolidated Profit or Loss	Amount (Rs in Crores)	As a % of Consolidated OCI	Amount (Rs in Crores)	As a % of Total Comprehensive Income	Amount (Rs in Crores)
23	Good Earth Corporation.	-0.06%	(10.75)	0.02%	0.30	-	-	0.02%	0.30
24	Good Earth Teas Inc.	-0.72%	(123.34)	-1.45%	(17.47)	-	-	-1.35%	(17.47)
25	Tata Consumer Products Canada Inc.	0.12%	21.11	0.75%	8.99	-	-	0.70%	8.99
26	Tata Consumer Products Australia Pty Ltd.	0.19%	31.85	0.42%	5.07	-	-	0.39%	5.07
27	Earth Rules Pty Ltd. (Dormant)	0.00%	0.00	0.00%	-	-	-	0.00%	-
28	Joekels Tea Packers (Proprietary) Ltd. (w.e.f. December 28, 2022)	0.24%	40.81	0.19%	2.32	-	-	0.18%	2.32
29	Tetley ACI (Bangladesh) Ltd. (w.e.f February 9, 2023)	-0.03%	(4.69)	0.00%	0.06	-	-	0.00%	0.06
30	Tata Global Beverages Investments Ltd. (Dormant)	-	-	-	-	-	-	-	-
31	Campestres Holdings Ltd.	-	-	-	-	-	-	-	-
32	Kahutara Holdings Ltd.	-	-	-	-	-	-	-	-
33	Suntyco Holding Ltd.	-	-	-	-	-	-	-	-
34	Onomento Co Ltd.	0.09%	15.87	0.36%	4.29	-	-	0.33%	4.29
	Non-controlling Interest in all Subsidiaries	-4.96%	(850.17)	-9.67%	(116.37)	5.68%	5.04	-8.61%	(111.33)
	Associates								
	Indian								
1	Amalgamated Plantations Pvt. Ltd.	0.04%	6.18	-1.86%	(22.45)	-2.11%	(1.87)	-1.88%	(24.32)
2	Kanan Devan Hills Plantations Co. Pvt. Ltd.	0.17%	29.80	0.07%	0.81	-1.79%	(1.59)	-0.06%	(0.78)
	Joint Ventures								
	Indian								
1	Tata Starbucks Private Ltd.	1.60%	273.63	-1.04%	(12.49)	0.85%	0.75	-0.91%	(11.74)
	Foreign								
1	Joekels Tea Packers (Proprietary) Ltd. (upto December 27, 2022)	-	-	0.67%	8.01	-	-	0.62%	8.01
2	Tetley ACI (Bangladesh) Ltd. (upto February 8, 2023)	-	-	-0.02%	(0.26)	-	-	-0.02%	(0.26)
3	Tetley Clover (Pvt) Ltd. (under liquidation)	0.00%	0.06	0.00%	-	-	-	0.00%	0.00
	Consolidation eliminations/adjustments	-48.91%	(8376.75)	-4.86%	(58.56)	194.63%	172.68	8.83%	114.12
	TOTAL	**100%**	**17126.88**	**100%**	**1203.77**	**100%**	**88.72**	**100%**	**1292.49**

45. Unless otherwise stated, figures in brackets relate to the previous year. Previous year's figures have been regrouped / rearranged, to the extent necessary, to conform to current year's classifications. All the numbers have been rounded off to nearest crore.

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries / associates / joint ventures [Pursuant to Section 129(3) of the Companies Act , 2013].

Part "A" : Subsidiaries

SL No	Name of the Subsidiary	Date of acquisition/ incorporation	Reporting Currency	Exchange rate as on last day of relevant financial year (Refer Note 3)	Share Capital	"Reserves and Surplus"	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	"% of Shareholding (Refer Note 2)"	Average yearly rates for P&L items translation
				Rs	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	%	Rs
1	Tata Consumer Products UK Group Ltd.	03.09.1999	GBP	101.72	2391.25	3717.09	7293.49	1185.15	5163.22	-	19.91	(4.35)	15.56	-	100.00	96.38
2	Tata Global Beverages Holdings Ltd. (Dormant)	10.03.2000	GBP	101.72	-	-	-	-	-	-	-	-	-	-	100.00	96.38
3	Tata Global Beverages Services Ltd. (Dormant)	10.03.2000	GBP	101.72	-	-	-	-	-	-	-	-	-	-	100.00	96.38
4	Tata Consumer Products GB Ltd.	10.03.2000	GBP	101.72	0.00	2563.57	3259.73	696.16	10.17	1354.20	145.74	(27.13)	118.61	-	100.00	96.38
5	Tata Consumer Products Overseas Holdings Ltd.	10.03.2000	GBP	101.72	-	(109.29)	712.48	821.77	196.26	0.00	12.65	(0.69)	11.96	-	100.00	96.38
6	Tata Global Beverages Overseas Ltd. (Dormant)	10.03.2000	GBP	101.72	-	-	-	-	-	-	-	-	-	-	100.00	96.38
7	Lyons Tetley Limted (Dormant)	10.03.2000	GBP	101.72	0.20	-	0.20	-	-	-	-	-	-	-	100.00	96.38
8	Drassington Ltd. (Dormant)	31.10.2003	GBP	101.72	19.90	(19.90)	-	-	-	-	-	-	-	-	100.00	96.38
9	Teapigs Ltd.	15.04.2005	GBP	101.72	10.17	94.47	112.97	8.33	-	172.21	4.93	(0.79)	4.14	-	100.00	96.38
10	Teapigs US LLC	27.08.2013	USD	82.21	0.00	(9.79)	15.92	25.71	-	35.64	(1.15)	-	(1.15)	-	100.00	80.04
11	Stansand Ltd. (Dormant)	10.03.2000	GBP	101.72	0.05	0.00	0.05	0.00	-	-	-	-	-	-	100.00	96.38
12	Stansand Brokers Ltd. (Dormant)	10.03.2000	GBP	101.72	0.32	0.00	0.32	0.00	-	-	-	-	-	-	100.00	96.38
13	Stansand (Africa) Ltd.	10.03.2000	KES	0.62	0.03	15.87	38.99	23.09	-	125.67	5.81	(1.85)	3.96	-	100.00	0.67
14	Stansand (Central Africa) Ltd.	10.03.2000	MWK	0.08	0.00	2.75	5.28	2.53	-	69.00	1.20	(0.37)	0.83	-	100.00	0.08
15	Tata Consumer Products Polska.sp.zo.o	10.03.2000	PLN	19.10	141.10	(126.54)	26.17	11.61	-	52.14	1.68	(0.39)	1.29	-	100.00	17.76
16	Tata Consumer Products US Holdings Inc.	10.03.2000	USD	82.21	550.81	(701.32)	226.06	376.57	215.46	-	(3.59)	-	(3.59)	-	100.00	80.04
17	Tetley USA Inc.	10.03.2000	USD	82.21	1122.16	(830.32)	368.45	76.61	-	132.01	0.34	-	0.34	-	100.00	80.04
18	Tata Waters LLC	18.08.2016	USD	82.21	-	(6.03)	7.34	13.37	-	2.35	(1.38)	-	(1.38)	-	100.00	80.04
19	Good Earth Corporation	13.10.2005	USD	82.21	-	(10.75)	0.62	11.37	-	-	0.29	-	0.29	-	100.00	80.04
20	Good Earth Teas Inc.	13.10.2005	USD	82.21	148.71	(272.06)	42.86	166.21	-	50.56	(17.37)	-	(17.37)	-	100.00	80.04
21	Tata Consumer Products Canada Inc.	10.03.2000	CAD	60.66	9.10	11.07	160.40	140.23	-	411.39	12.25	(3.25)	9.00	-	100.00	60.73
22	Tata Consumer Products Australia Pty. Ltd.	10.03.2000	AUD	54.99	64.89	(31.68)	58.50	25.29	-	106.53	6.18	(0.98)	5.20	-	100.00	55.14
23	Earth Rules Pty. Ltd. (Dormant)	30.04.2015	AUD	54.99	155.28	(155.28)	-	-	-	-	-	-	-	-	100.00	55.14

SL No	Name of the Subsidiary	Date of acquisition/ incorporation	Reporting Currency	Exchange rate as on last day of relevant financial year (Refer Note 3)	Share Capital	"Reserves and Surplus"	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	"% of Shareholding (Refer Note 2)"	Average yearly rates for P&L items translation
				Rs	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	Rs in Crores	%	Rs
24	Joekels Tea Packers (Proprietary) Ltd. (Refer Note 5)	28.12.2022	ZAR	4.62	0.00	40.88	80.87	39.99	-	178.94	24.15	(6.52)	17.63	-	75.00	4.77
25	Tetley ACI (Bangladesh) Ltd. (Refer Note 5)	09.02.2023	BDT	0.84	54.92	(59.86)	10.94	15.880	-	34.50	(2.13)	(0.21)	(2.34)	-	100.00	1.00
26	Tata Global Beverages Investment Ltd. (Dormant)	12.09.2006	GBP	101.72	-	-	-	-	-	-	-	-	-	-	100.00	96.38
27	Campestres Holdings Ltd.	03.02.2009	USD	82.21	0.02	(0.02)	-	-	-	-	-	-	-	-	100.00	80.04
28	Kahutara Holdings Ltd.	25.03.2009	USD	82.21	0.16	(0.16)	-	-	-	-	-	-	-	-	100.00	80.04
29	Suntyco Holdings Ltd.	01.09.2009	USD	82.21	0.57	(0.57)	-	-	-	-	-	-	-	-	100.00	80.04
30	Onomento Co Ltd.	01.09.2009	USD	82.21	0.06	14.84	16.39	1.49	-	-	4.21	(0.42)	3.79	-	100.00	80.04
31	Tata Consumer Products Capital Ltd.	12.09.2006	GBP	101.72	911.51	(19.23)	1727.63	835.35	1693.71	-	(33.03)	10.00	(23.03)	-	100.00	96.38
32	Tata Coffee Ltd.	21.11.1990	INR	1.00	18.68	1339.61	1668.85	310.56	353.29	1023.32	286.90	(55.57)	231.33	56.03	57.48	1.00
33	Tata Coffee Vietnam Company Ltd.	28.03.2017	USD	82.21	138.93	(6.95)	547.24	415.26	-	342.13	18.52	(2.67)	15.85	-	100.00	80.04
34	Consolidated Coffee Inc.	10.07.2006	USD	82.21	492.42	1.25	495.04	1.37	492.42	-	80.03	-	80.03	-	100.00	80.04
35	Eight O'Clock Holdings Inc.	31.07.2006	USD	82.21	492.42	(0.58)	492.77	0.93	492.42	-	96.04	-	96.04	-	100.00	80.04
36	Eight O'Clock Coffee Company	31.07.2006	USD	82.21	492.42	626.34	2090.39	971.63	-	1488.95	147.63	(28.44)	119.19	-	100.00	80.04
37	Tata Tea Extractions Inc.	29.05.1987	USD	82.21	115.09	330.80	474.32	28.43	358.22	116.77	11.73	(11.03)	0.70	-	100.00	80.04
38	NourishCo Beverages Ltd.	18.05.2020	INR	1.00	213.00	(115.98)	205.11	108.09	-	620.66	36.42	(3.88)	32.54	-	100.00	1.00
39	Tata Consumer Soulfull Private Ltd.	17.02.2021	INR	1.00	0.93	29.30	84.71	54.49	-	64.30	(28.69)	-	(28.69)	-	100.00	1.00
40	Tata SmartFoodz Ltd.	16.11.2021	INR	1.00	539.59	(279.09)	346.58	86.07	3.06	13.55	(40.72)	-	(40.72)	-	100.00	1.00
41	TCPL Beverages & Foods Ltd. (Refer Note 6)	25.02.2022	INR	1.00	0.05	7.42	7.54	0.07	-	-	(0.01)	(0.06)	(0.07)	-	100.00	1.00
42	TRIL Constructions Ltd.	17.11.2021	INR	1.00	36.15	109.03	217.93	72.75	-	-	(0.62)	0.00	(0.62)	-	80.46	1.00
43	Tata Tea Holdings Private Ltd.	19.03.2009	INR	1.00	0.05	(0.08)	0.01	0.04	-	-	(0.00)	-	(0.00)	-	100.00	1.00

Note:

1 Statutory year ends for all subsidiaries are 31.03.2023 except for Tetley ACI (Bangladesh) Ltd - 30.06.2022

2 % of shareholding is based on voting power held by the Group.

3 Balance Sheet items have been translated at the exchange rate as on the last day of relevant financial year.

4 The numbers reported above are based on individual annual financial statements prepared under local GAAP.

5 Joekels Tea Packers (Proprietary) Ltd. and Tetley ACI (Bangladesh) Ltd. converted to subsidiary w.e.f December 28, 2022 and February 09 2023 respectively.

6 TCPL Beverages & Foods Ltd. is yet to commence business.

Statement pursuant to Section 129 (3) of the Companies Act,2013 related to Associate Companies and Joint Ventures

Part "B" : Associates and Joint Ventures

Sl No.	Name of Associates/ Joint Ventures	Amalgamated Plantation Pvt. Ltd.	Kanan Devan Hill Plantation Company Pvt. Ltd.	Tetley Clover (Pvt.) Ltd. ^	Tetley ACI (Bangladesh) Ltd. $	Joekels Tea Packers (Proprietary) Ltd. $	Tata Starbucks Private Ltd.
		Associate	Associate	Joint Venture	Joint Venture	Joint Venture	Joint Venture
1	**Latest audited Balance Sheet Date**	31.03.2023	31.03.2023	28.02.2019	30.06.2022	31.03.2023	31.03.2023
2	**Date of acquisition/ incorporation**	17.04.2009	06.07.2005	25.07.2003	17.11.2002	04.10.2006	03.01.2012
3	**Shares of Associate /Joint Ventures held by the company on the year-end**						
	Equity Shares						
	i) Number	61024400	3976563	44000000	-	-	572300000
	ii) Amount of Investment in Associates/ Joint Venture (Rs. in Crores)	82.08#	12.33	30.98	-	-	572.30
	iii) Extent of Holdings	41.03%	28.52%	50%	-	-	50%
	Preference Shares						
	i) Number	267000000	-	3000000	-	-	-
	ii) Amount of Investment in Associates/ Joint Venture (Rs. in Crores)	251.77@	-	2.59	-	-	-
4	**Description of how there is significant influence**	Shareholding	Shareholding	Joint Venture Agreement	-	-	Joint Venture Agreement
5	**Reason why the associate/joint venture is not consolidated**	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	**Networth attributable to Shareholding as per latest audited Balance Sheet (Rs in Crores)**	6.15	30.40	0.07	-	-	273.62
7	**Profit / (Loss) for the year***						
	i) Considered in Consolidated** (Rs in Crores)	(22.45)	0.90	-	(0.26)	8.01	(12.49)
	ii) Not Considered in Consolidated (Rs in Crores)	-	-	-	-	-	-

Associate Companies and Joint Ventures have been determined based on the Accounting Standards.

* Profit/(Loss) based on individual Financial Statements drawn up as at 31.03.2023, for consolidation purposes.

** Represents Group's share of profit/(loss)

measured as per Ind AS

@ redeemable preference shares, measured as per Ind AS

^ Under liquidation

$ Joekels Tea Packers (Proprietary) Ltd. and Tetley ACI (Bangladesh) Ltd. converted to subsidiary w.e.f December 28, 2022 and February 09, 2023 respectively.

For and and on behalf of the Board

N.Chandrasekaran
Chairman
(DIN 00121863)

K P Krishnan
Director
(DIN 01099097)

Sunil D'Souza
Managing Director & CEO
(DIN 07194259)

L.Krishnakumar
Executive Director
(DIN 00423616)

Sivakumar Sivasankaran
Chief Financial Officer

Neelabja Chakrabarty
Company Secretary

Mumbai, April 25, 2023

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Notice of the Annual General Meeting

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Sixtieth Annual General Meeting of Tata Consumer Products Limited will be held on **Tuesday, June 06, 2023, at 10:30 a.m. (IST)** through Video Conferencing and Other Audio-Visual Means, to transact the following businesses:

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, 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, 2023, together with the Report of the Auditors thereon.

3. DECLARATION OF DIVIDEND

To declare a dividend of ₹ 8.45 per Equity Shares of the face value of ₹ 1 each (845%), of the Company for the financial year ended March 31, 2023.

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 COST AUDITOR'S REMUNERATION FOR FY 2023-24

To consider and if thought fit to pass, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹ 5,00,000/- (Rupees Five Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses, payable to M/s Shome & Banerjee, Cost Accountants (Firm Registration Number 000001), who are re-appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

6. RE-APPOINTMENT OF MR. L. KRISHNAKUMAR (DIN: 00423616) AS WHOLE-TIME DIRECTOR DESIGNATED AS EXECUTIVE DIRECTOR AND GROUP CHIEF FINANCIAL OFFICER AND APPROVAL OF PAYMENT OF REMUNERATION

To consider and if thought fit to pass, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force (collectively referred as 'the Act'), the consent of the Company be and is hereby accorded for the re-appointment and terms of appointment including remuneration of Mr. L. Krishnakumar (DIN:00423616) as a Whole-time Director, designated as "Executive Director and Group Chief Financial Officer" of the Company, for a duration of seven months commencing from April 1, 2023 until October 31, 2023 (i.e. his date of superannuation as per the policy of the Company), upon the terms and conditions as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors, as set out in the Explanatory Statement annexed to this Notice, including the

remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of section 197 of the Act with authority to the Board of Directors (which shall be deemed to include a Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and remuneration in such manner, as may be agreed to between the Board of Directors and Mr. L. Krishnakumar.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

NOTES

1. The Ministry of Corporate Affairs ("MCA") *inter-alia* vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as "**MCA Circulars**") has permitted the holding of the annual general meeting through Video Conferencing ("**VC**") or through other audio-visual means ("**OAVM"**), **without the physical presence of the Members at a common venue.**

   In compliance with the provisions of the Companies Act, 2013 ("**the Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and MCA Circulars, the 60th Annual General Meeting **("Meeting"** or "**AGM**") of the Company is being held through VC / OAVM on Tuesday, June 06, 2023, at 10:30 a.m. (IST). The proceedings of the AGM deemed to be conducted at the Registered Office of the Company situated at 1, Bishop Lefroy Road, Kolkata – 700 020.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

3. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than individuals, HUFs, NRIs etc.) who are intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at asimsecy@gmail.com with a copy marked to evoting@nsdl.co.in and investor.relations@tataconsumer.com, **not later than 48 hours before the scheduled time of the commencement of the Meeting.** Corporate Members/ Institutional shareholders (i.e. other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/ Power of Attorney/Authority Letter etc. by clicking on the "Upload Board Resolution/Authority Letter" displayed under the "e-Voting" tab in their login.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

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 and 6 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.

6. The Explanatory Statement according to Section 102 of the Act setting out material facts concerning the business under Item Nos. 5 and 6 of the Notice is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/ re-appointment at the AGM are provided as an annexure to the Notice. Requisite declarations have been received from the Directors for seeking appointment/re-appointment.

7. **The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.** Pursuant to Regulation 44(6) of Listing Regulations, the Company is also providing a live webcast of the 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 a first come first served basis.

8. 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, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited at www.bseindia.com, www.nseindia.com and www.cse-india.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, May 20, 2023, to Friday, May 26, 2023 (both days inclusive)** for the purpose of this AGM and for determining the entitlement of members to final dividend for the financial year ended March 31, 2023, if approved at the AGM**.**

   The dividend of ₹ 8.45 per equity share of ₹ 1 each (845%), if declared at the AGM, will be paid subject to deduction of tax at source ('TDS') on or after June 8, 2023, and before July 5, 2023, as under:

   (a) To all the Beneficial Owners as at the end of the day on Friday, May 19, 2023, 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, May 19, 2023.

   For the 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 them.

10. According to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, and Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents by Wednesday, May 17, 2023 **(upto 7:00 pm) to enable the Company to determine the appropriate TDS/withholding tax rate applicable, verify the documents and provide exemption.** For the detailed process, please visit the website of the Company at https://www.tataconsumer.com/investors/investor-information/letters-sent-to-shareholders and also refer to the email being sent to members in this regard.

11. Further, to receive the dividend on time, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA - TSR Consultants Private Limited, latest by Wednesday, May 17, 2023 :

    a) Form No. ISR-1 duly filled and signed by the holders stating their name, folio number, complete address with pincode, and the following details relating to the bank account in which the dividend is to be received:

       i) Name of Bank and Bank Branch ;

ii) Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions;

iii) 11digit IFSC Code; and

iv) 9-digit MICR Code.

b) Original copy of 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 dividends as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

12. In terms of Regulation 40(1) of 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. Further, SEBI had fixed March 31, 2021, as the cut-off date for the re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialized mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, TSR Consultants Private Limited ("Registrar" or "RTA" or "TSR") at csg-unit@tcplindia.co.in for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on the TSR's website https://www.tcplindia.co.in/faq.html.

13. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends for 7 consecutive years are also liable to be transferred to the Demat account of the IEPF Authority. **In view of this, Members/Claimants are requested to claim their unpaid/unclaimed dividends from FY 2015-16 till date, on or before September 13, 2023**. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by an application to the IEPF Authority, in Form No. IEPF-5 is available on www.iepf.gov.in For details, please refer to the corporate governance report which is a part of this Annual Report and the investor page on the Company's website www.tataconsumer.com.

14. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed **Form No. ISR-1**, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

15. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting **Form No. SH- 13**. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in **Form No. SH-14**. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit **Form No. ISR-3**. The said forms can be downloaded from the RTA's website at https://www.tcplindia.co.in/client-downloads.html. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares

are held in physical form, quoting their folio no.

16. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividends, etc. **Form No. ISR-1** for capturing additional details is available on the Company's website. Members holding shares in physical form are requested to submit the filled-in **Form No. ISR-1** to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.

17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.

18. During the AGM, Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at AGM2023@tataconsumer.com, **latest by Monday, June 5, 2023 (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 statements of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

20. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.

21. **Process for those shareholders whose e-mail ids are not registered with the Depositories/the Company for procuring user id and passwords and registration of e-mail ids for e-voting for the resolutions set out in this Notice:**

    a) **Registration of email addresses with TSR:** The Company has made special arrangements with TSR and NSDL for the registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/ DPs are required to provide the same to TSR **on or before 05:00 p.m. IST on Tuesday, May 30, 2023.** The process to be followed for registration of an 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 the dropdown: **Tata Consumer Products Limited.**

        (c) Enter the DP ID & Client ID / Physical Folio Number, Name of the Member and PAN details. Members holding shares in the physical form need to additionally enter one of the share certificate(s) numbers.

        (d) Enter your Mobile No and email id and click on the Continue button.

        (e) The system will send OTP on Mobile and Email IDs.

        (f) Upload a self-attested copy of your 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 your Mobile and Email Address.

        (h) The system will then confirm the e-mail address for receiving this AGM Notice.

    After the successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Annual Report for FY 2022-23 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.

b) **Registration of e-mail address permanently with Company/DP:** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with RTA, in respect of physical holding, by submitting the Form ISR1 duly filled and signed by the holders Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/ updated with their DPs / TSR to enable servicing of notices/documents / Annual Reports and other communications electronically to their e-mail address in the future.

22. **Alternatively, Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing Demat account number / Folio number and scanned copy of the Share Certificate (front and Back) or client master, or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).**

    The Individual Shareholders holding securities in Demat mode are requested to follow steps mentioned below in Para 32 under Step 1 (A) i.e "Login method for remote e-Voting and joining the virtual meeting for Individual shareholders holding securities in Demat mode.

    In terms of the SEBI circular dated December 9, 2020, on the e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their Demat account to access the e-Voting facility.

23. According to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-voting system as well as e-voting during the AGM will be provided by NSDL.

24. Members of the Company holding shares either in physical form or in electronic form as of the cut-off date of **Tuesday, May 30, 2023 (cut-off date not earlier than 7 days before the AGM),** may cast their vote by **remote e-Voting**. **The remote e-voting period commences on Friday, June 02, 2023, at 9:00 a.m. (IST) and ends on Monday, June 05, 2023, at 5:00 p.m. (IST).** The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before the AGM and e-Voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as of the **cut-off date of Tuesday, May 30, 2023**. Subject to receipt of the requisite number of votes, the Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM i.e., **Tuesday, June 06, 2023**. The Notice of the AGM indicating the instructions for the remote e-voting process can be downloaded from the NSDL's website www.evoting.nsdl.com or the Company's website www.tataconsumer.com.

25. Members will be provided with the facility for voting through an electronic voting system during the video conferencing proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolutions for which the member has already cast the vote through remote e-Voting.

26. A person whose name is recorded in the Register of Members or the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. **Tuesday, May 30, 2023**, shall be entitled to avail of the facility of remote e-voting before the AGM as well as e-Voting during the AGM. Any person holding shares in physical form and non-individual shareholders, who acquire 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. **Tuesday, May 30, 2023**, 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. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or contact at 022 - 4886 7000 and 022 - 2499 7000. In the case of Individual Shareholders holding securities in Demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, May 30, 2023, may follow steps mentioned in Para 32 below under Step 1 (A) i.e "Login method for remote e-Voting and joining the virtual meeting for Individual shareholders holding securities in Demat mode.

27. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

28. Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary (Membership No. FCS 2303 & CP No. 880) has been appointed as the Scrutinizer by the Board for providing a facility to the Members of the Company to scrutinize the remote e-Voting process before the AGM as well as remote e-Voting during the AGM fairly and transparently.

29. The Scrutinizer will submit his report to the Chairman or any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 2 working days 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 concerning the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number, and mobile number, to reach the Company's email address at AGM2023@tataconsumer.com before **5.00 p.m. (IST) on Friday, June 2, 2023.** Queries that remain unanswered at the AGM will be appropriately responded to by the Company at the earliest, post the conclusion of the AGM.

31. Members who would like to express their views/ ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN, and mobile number at AGM2023@tataconsumer.com **between Wednesday, May 31, 2023 (9:00 a.m. IST) and Saturday, June 3, 2023 (5:00 p.m. IST). Only those Members who have pre-registered themselves as a speaker on the dedicated email id AGM2023@tataconsumer.com will be allowed to express their views/ask questions during the AGM.**

    When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good Internet speed.

    The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

32. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, VOTING DURING THE MEETING, AND JOINING THE ANNUAL GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Friday, June 02, 2023, at 9:00 a.m. (IST) and ends on Monday, June 05, 2023, at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners **as on the record date (cut-off date) i.e. Tuesday, May 30, 2023** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as of the cut-off date, **Tuesday, May 30, 2023**

How to vote electronically using the NSDL e-Voting system?

The way to vote electronically on the NSDL e-Voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

(A) Login method for e-Voting and joining the virtual meeting for Individual shareholders holding securities in Demat mode

In terms of the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in **Demat mode with NSDL.**	1. 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. 2. 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 3. 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. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on AppStore  Google Play 

Type of shareholders	Login Method
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/myeasinew/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 CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 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 abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or contanct at 022 - 4886 7000 and 022 - 2499 7000
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 1800 22 55 33

(B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

How to Log-in to NSDL e-Voting website?

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 log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

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 123901 then user ID is 123901001***

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 GENERAL MEETING ON NSDL E-VOTING SYSTEM

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "**EVEN 123901**" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General

Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

a) Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than individuals, HUF's, NRI's etc.) who are intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at asimsecy@gmail.com with a copy marked to evoting@nsdl.co.in and investor.relations@tataconsumer.com, **not later than 48 hours before the scheduled time of the commencement of the Meeting.** Corporate Members/ Institutional shareholders (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/ Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

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 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in.

33. **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

    1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
    2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
    3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
    4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

34. **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

    i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/ OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

ii. Members are encouraged to join the Meeting through Laptops for better experience.

iii. Further, Speakers will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective networks. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

By Order of the Board of Directors

Neelabja Chakrabarty
Company Secretary
(Membership No: ACS 16075)

Mumbai,
April 25, 2023

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EXPLANATORY STATEMENT FOR RESOLUTION NUMBER 5 AND 6 OF THE NOTICE

As required by Section 102 of the Act, the following explanatory statement sets out all material facts relating to the special businesses mentioned under resolutions Nos. 5 and 6 of the accompanying Notice.

RESOLUTION NO. 5: ORDINARY RESOLUTION

Ratification of Cost Auditor's Remuneration FY 2023-24

As per the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 ("the Rules"), as amended from time to time, the Company is required to have an audit of its cost records conducted by a cost accountant in practice for products covered under the Companies (Cost Records and Audit) Rules, 2014. The Board, based on the recommendation of the Audit Committee, has approved the re-appointment of M/s. Shome & Banerjee, Cost Accountants, (Firm Registration Number 000001), as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2024, at a remuneration of ₹ 5,00,000/- (Rupees Five Lakhs) plus applicable taxes and reimbursement of reasonable out-of-pocket expenses.

In accordance with Section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors, for the financial year ending March 31, 2024.

The Board commends ratification of remuneration of Cost Auditors, as set out in Resolution no. 5 of the Notice for approval by the Members as an Ordinary Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

RESOLUTION NO. 6: ORDINARY RESOLUTION

Re-appointment of Mr. L. Krishnakumar (DIN: 00423616) as Whole-time Director designated as Executive Director and Group Chief Financial Officer and approval of payment of remuneration

Mr. L. Krishnakumar was appointed as Executive Director and Group Chief Financial Officer effective April 1, 2013, for a term of 5 years until March 31, 2018. He was subsequently re-appointed for a second term of five years, starting from April 1, 2018, and ending on March 31, 2023. The members of the Company approved this re-appointment, as well as the terms and remuneration payable to Mr. Krishnakumar, at the 55th Annual General Meeting held on July 5, 2018. The said the second term of Mr. L. Krishnakumar as Executive Director and Group Chief Financial Officer concluded on March 31, 2023. The Governance Guideline on Board Effectiveness of the Company specifies a retirement age of 65 years for Managing/Executive Directors, making Mr. Krishnakumar eligible for re-appointment until the attainment of the age of 65, i.e., until the end of October 2023.

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors, at its meeting held on March 29, 2023, re-appointed Mr. L. Krishnakumar as Whole-time Director designated as "Executive Director and Group Chief Financial Officer" for the duration of seven months starting from April 1, 2023, until October 31, 2023 (i.e. his date of superannuation as per the policy of the Company). Additionally, the Board at its meeting held on April 25, 2023, approved the remuneration payable to Mr. Krishnakumar, effective from April 1, 2023, based on the NRC's recommendations.

The re-appointment of Mr. L. Krishnakumar and his remuneration is subject to approval by the Company's shareholders, as per the relevant provisions of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations.

The Board considers Mr. L. Krishnakumar's experience and expertise to be beneficial to the Company and therefore recommends his re-appointment as Whole-time Director, designated as Executive Director and Group Chief Financial Officer, for a duration of seven months, starting from April 1, 2023, until October 31, 2023, as proposed in Resolution no. 6 by way of an ordinary resolution.

The specific areas of expertise of Mr. L. Krishnakumar are provided in the Annexure to this Notice.

The principal terms and conditions of re-appointment of Mr. L. Krishnakumar as Executive Director and Group CFO, including his remuneration and the main clauses of the agreement to be executed between the Company and Mr. L. Krishnakumar, are as follows:

i) **Tenure of re-appointment**: Re-appointment of Mr. L. Krishnakumar as Whole-time Director designated as "Executive Director and Group Chief Financial Officer" for a period of 7 months commencing from April 1, 2023, to October 31, 2023, (i.e. his date of superannuation as per the policy of the Company).

ii) **Nature of duties**: Mr. L. Krishnakumar shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Managing Director & CEO and/or the Board of Directors from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or joint ventures and/or subsidiaries, including performing duties as assigned by the Managing Director & CEO and/ or the Board from time to time by serving on the boards of such associated companies and/or joint ventures and/or subsidiaries or any other executive body or any committee of such a company.

iii) **Remuneration**: Mr. L. Krishnakumar shall, subject to such approvals as may be required, be entitled to the following remuneration, subject to deduction of tax at source of all applicable taxes in accordance with the laws for the time being in force:

a. **Basic Salary:** ₹ 9,63,911 per month, which is computed at 35% of the Fixed compensation, with authority to the Board to revise it based on the recommendation of the Nomination and Remuneration Committee, as may be required.

b. **Benefits, Perquisites, Allowances:** In addition to the basic salary referred to in (a) above, the Executive Director and Group CFO shall be entitled to:

- Rent-free residential accommodation (furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g. gas, electricity and water charges) for company-provided accommodation

  OR

  House Rent Allowance aggregating 60% of the basic salary (in case of residential accommodation is not provided by the Company).

- Reimbursement of hospitalization and major medical expenses, incurred as per rules of the Company (this includes Mediclaim insurance premium).

- Car facility, Telecommunication facility (including broadband internet and fax) and Housing loan facility as per the Rules of the Company.

- Other perquisites and allowances subject to a maximum of 75% of the Annual Basic Salary, which includes:

Sr. No.	Particulars
1	Medical Allowance
2	Leave Travel Concession/Allowance
3	Other Allowances
4	Club Membership fees

- Retirement benefits: Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund shall be made as per the Rules of the Company.

- He shall be entitled to leave in accordance with the Rules of the Company. Annual Leave not availed by Mr. L. Krishnakumar is encashable in accordance with the Rules of the Company.

c. **Commission:** In addition to Basic Salary, Benefits, Perquisites, and Allowances, Mr. L. Krishnakumar would be paid such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company at the end of the financial year. The specific amount payable to him will be based on his performance as evaluated by the Board or the NRC and approved by the Board and will be payable annually after the annual accounts have been approved by the Board.

d. **Incentive Remuneration:** Such incentive remuneration at a target value of 68% of Annual Fixed Compensation is to be paid annually at the discretion of the Board, based on certain performance criteria and such other parameters as may be considered appropriate from time to time.

e. An indicative list of factors that may be considered for determining the extent of

commission/incentive remuneration, by the Board as recommended by NRC, are:

- Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time.
- Industry benchmarks of remuneration.
- Performance of the individual.

iv) Minimum Remuneration: Notwithstanding anything to the contrary herein contained, wherein the financial year during the currency of the tenure of the Mr. L. Krishnakumar, the Company has no profits or its profits are inadequate, the Company will pay to the Mr. L. Krishnakumar remuneration by way of salary, benefits, perquisites and allowances, and incentive remuneration as specified above.

v) Insurance: The Company will take an appropriate Directors' and Officers' Liability Insurance Policy and pay the premiums for the same. It is intended to maintain such insurance cover for the entire period of re-appointment, subject to the terms of such policy in force from time to time.

vi) Other Terms of Re-appointment

a) Mr. L. Krishnakumar shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.

b) The terms and conditions of the re-appointment of Mr. L. Krishnakumar may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V of the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Mr. L. Krishnakumar, subject to such approvals as may be required.

c) According to the Company's policy, termination of employment for MD/ED level personnel can occur by either party giving six months' notice or the Company providing six months' remuneration in lieu of notice. However, because the appointment is for a duration of seven months, termination is not possible. Nonetheless, under exceptional circumstances, employment may be terminated by mutual agreement between the Company and Mr. L. Krishnakumar.

d) The employment of the Mr. L. Krishnakumar may be terminated by the Company without notice or payment in lieu of notice:

i) If Mr. L. Krishnakumar is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associate company to which he is required to render services; or

ii) In the event of any serious repeated or continuing breach (after prior warning) or non-observance by Mr. L. Krishnakumar, of any of the stipulations contained in the Employment Agreement to be executed between the Company and Mr. Krishnakumar; or

iii) In the event, the Board expresses its loss of confidence in Mr. L. Krishnakumar

e) In the event Mr. L. Krishnakumar is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.

f) Upon the termination by whatever means, the employment of Mr. L. Krishnakumar:

1) shall immediately cease to hold office held by him in any subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trust connected with the Company.

2) shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of its subsidiaries or associate companies.

g) All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to Mr. L. Krishnakumar unless specifically provided otherwise.

h) Mr. L. Krishnakumar is re-appointed as a Director by virtue of his employment in the Company and his appointment shall be subject to the provisions of Sections 164 and 167 of the Act.

i) The terms and conditions of the re-appointment of Mr. L. Krishnakumar also includes clauses pertaining to adherence with the Tata Code of Conduct, no conflict of interest with the Company, protection and use of Intellectual Properties, non-solicitation post termination of agreement and maintenance of confidentiality

j) If and when the Agreement expires or is terminated for any reason whatsoever, Mr. L. Krishnakumar will cease to be the Executive Director and Group CFO and also cease to be a Director. If at any time, the Mr. L. Krishnakumar ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Whole-time Director/Executive Director and Group CFO and the Agreement shall forthwith terminate.

Mr. L. Krishnakumar satisfies all the conditions set out in Part –I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for appointment. He is not disqualified from being a Director in terms of Section 164 of the Act.

Mr. L. Krishnakumar provided his consent for such re-appointment and has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by the BSE Limited and the National Stock Exchange of India Limited pertaining to the enforcement of SEBI Orders regarding the appointment of Directors by the listed companies.

In compliance with the provisions of Sections 196 and 197 and other applicable provisions of the Act, read with Schedule V to the Act read with and Regulation 17 of SEBI Listing Regulations, the terms of re-appointment and remuneration of Mr. L. Krishnakumar as specified above, are now placed before the Members for their approval. The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

Except for Mr. L. Krishnakumar and his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Disclosures, as required under Regulation 36 of the SEBI Listing Regulations and Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

By Order of the Board of Directors

Neelabja Chakrabarty
Company Secretary
(Membership No: ACS 16075)

Mumbai,
April 25, 2023

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ANNEXURE TO THE NOTICE

Details of Directors seeking Appointment/Re-appointment at the Sixtieth Annual General Meeting

Name of Director	Mr. N. Chandrasekaran	Mr. L Krishnakumar
Director Identification Number (DIN)	00121863	00423616
Designation/category of the Director	Chairman Non-Executive (Non-Independent) Director	Whole-time Director designated as Executive Director and Group CFO
Age	59 years	64 years
Date of the first appointment	July 03, 2017	April 01, 2013
Qualifications	Bachelor's degree in Applied Science and Master's degree in Computer Applications from Regional Engineering College, Trichy, Tamil Nadu, India.	B.Com and Associate Chartered Accountant, Associate Cost Accountant and Associate Company Secretary
Profile, Experience and Expertise in specific functional areas	Mr. N. Chandrasekaran is the Chairman of Tata Sons Private Limited, the holding company and promoter of all Tata Group companies. Mr. Chandrasekaran joined the Board of Tata Sons in October 2016 and was appointed Chairman in January 2017. He also chairs the Boards of several group operating companies, including Tata Steel, Tata Motors, Tata Power, Air India, Tata Chemicals, Tata Consumer Products, The Indian Hotel Company and Tata Consultancy Services (TCS) – of which he was the Chief Executive Officer from 2009-17. His appointment as Chairman of Tata Sons, followed a 30-year business career at TCS, which he joined from university. Mr. Chandrasekaran rose through the ranks at TCS to become the CEO and Managing Director of the leading global IT solution and consulting firm. Under his leadership, TCS generated total revenues of US $16.5 billion in 2015-16 and consolidated its position as the largest private sector employer in India and the country's most valuable company. Since he has taken over as Chairman, Mr. Chandrasekaran has been driving transformation of the group towards digital, sustainability and supply chain resilience. The group has forayed into new businesses including electronics manufacturing, consumer internet platform and mobile technology for 5G in India. The Tata group has expanded its aviation presence with the acquisition of Air India and is building a large global airline. The group's turnover stood at over US$125 billion with a market cap of US$311 billion as on 31st March, 2022.	Mr. L. Krishnakumar is currently serving as the Executive Director and Group CFO of Tata Consumer Products. Mr. L. Krishnakumar began his career with A. F. Ferguson and Co. in India and the Middle East as a management consultant. He later joined Larsen and Toubro Ltd., where he served as General Manager, Finance, gaining extensive experience across various functions in industries such as engineering, information technology, and shipping. In the year 2000, he joined The Indian Hotels Company Limited, a Tata Group company in the hotels business, as Vice President - Finance. Four years later, he was appointed as the Senior Vice President - Finance of Tata Tea Limited (now Tata Consumer Products Limited) in India in 2004. During his tenure at Tata Consumer Products, Mr. L. Krishnakumar held several leadership and strategic roles in the Company's operations in India and its international business. In addition to his current role as Executive Director and Group CFO of the Company, he is also a Director on the Board of NourishCo Beverages Limited, Tata Starbucks Private Limited, Infiniti Retail Limited, and several of Tata Consumer Products' overseas subsidiaries. Mr. L. Krishnakumar has also been a member of finance forums of CII and Bombay Chamber.

Name of Director	Mr. N. Chandrasekaran	Mr. L Krishnakumar
	In addition to his professional career at Tata, Mr. Chandrasekaran is on the International Advisory Council of Singapore's Economic Development Board. He is the Chairman of Indian Institute of Management, Lucknow as well as the President of the Court at Indian Institute of Science, Bengaluru. He is the member of the Mitsubishi's International Advisory Committee and the Co-Chair of the India - US CEO Forum. He is also on the Board of Governors of New York Academy of Sciences and has been elected as an international member of the United States National Academy of Engineering (NAE). Mr. Chandrasekaran was conferred with the Padma Bhushan, one of the highest civilian awards in India, in the field of trade and industry in 2022. He has also been conferred the President Eisenhower Global Award for Leadership by the Business Council for International Understanding (BCIU). Mr. Chandrasekaran has been awarded several honorary doctorates by leading Universities in India and internationally, including an honorary Doctor of Letters from Macquarie University, Australia, Doctor Honoris Causa by Nyenrode University, The Netherlands, honorary Doctor of Science by the Aligarh Muslim University, and Doctor of Letters from the Regional Engineering College, Trichy, Tamil Nadu, where he completed a Masters Degree in Computer Applications, before joining TCS in 1987.	He holds qualifications in Chartered Accountancy, Cost Accountancy, and Company Secretarial.
Directorships held in other companies including equity listed companies and excluding foreign companies as of the date of this Notice.	• Tata Sons Private limited • Tata Consultancy Services Limited • Tata Steel Limited • Tata Motors Limited • The Indian Hotels Company Limited • The Tata Power Company Limited • Tata Chemicals Limited • TCS Foundation • Air India Limited • Tata Digital Private Limited	• NourishCo Beverages Limited. • Infiniti Retail Limited • Tata Starbucks Private Limited

Name of Director	Mr. N. Chandrasekaran	Mr. L Krishnakumar
Memberships / Chairmanships of committees of other companies (excluding foreign companies) as on date of this Notice	**Tata Sons Private Limited** - Nomination and Remuneration Committee (Member) - CSR & ESG Committee (Chairman) - Risk Management Committee (Chairman) **Tata Consultancy Services Limited** - Nomination and Remuneration Committee (Member) - Corporate Social Responsibility Committee (Chairman) - Executive Committee (Chairman) **Tata Motors Limited** - Nomination and Remuneration Committee (Member) **Tata Steel Limited** - Nomination and Remuneration Committee (Member) - Executive Committee (Chairman) **The Indian Hotels Company Limited** - Nomination and Remuneration Committee (Member) **The Tata Power Company Limited** - Nomination and Remuneration Committee (Member) - Executive Committee (Chairman) **Air India Limited** - Nomination and Remuneration Committee (Member) - Corporate Social Responsibility & Sustainable Development Committee (Chairman)	**Infiniti Retail Limited** - Audit Committee (Chairperson) - IRL Issue Committee (Member) **Tata Starbucks Private Limited** - Audit Committee (Member) - NRC Committee (Member) - CSR Committee (Member)
Name of listed entities from which the person has resigned in the past three years	NIL	Tata Coffee Limited (Date of Cessation May 5, 2020)
Relationship with other Directors, Managers, and other Key Managerial Personnel of the Company	NIL	NIL
Shareholding in the Company including shareholding as a beneficial owner	1,00,000 Equity Shares	228 Equity Shares

Name of Director	Mr. N. Chandrasekaran	Mr. L Krishnakumar
Terms and Conditions of appointment / reappointment	Re-appointment as a Non-Executive, Non-Independent Director under sec 152(6) of Companies Act 2013	Re-appointment as Executive Director and Group CFO
Details of Remuneration sought to be paid	He shall be paid a fee for attending meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board and other meetings	As set out in the Explanatory Statement

For other details such as the number of meetings of the Board attended during FY 2022-23, remuneration last drawn in FY 2022-23 by Mr. N. Chandrasekaran and Mr. L Krishnakumar, please refer to the corporate governance report which is a part of this Integrated Annual Report.

The profile of the Directors is available on the Company's website at https://www.tataconsumer.com/about/leadership



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