



July 17, 2018

The Secretary
**National Stock Exchange
of India Ltd.**
Exchange Plaza.5th floor Plot
No. C/1, G Block Sandra Kurla
Complex Sandra (E)
Mumbai 400 051
Scrip Code - **TATAGLOBAL**

BSE Ltd.
Corporate Relationship
Dept. 1st Floor, New
Trading Wing Rotunda
Building, PJ Towers
Dalal Street
Mumbai 400 001
Scrip Code - 500800

The Secretary
**Calcutta Stock
Exchange Asscn. Ltd.**
7 Lyons Range
Kolkata 700 001
**Scrip Code -
10000027 (Demat)
27 (Physical)**

Dear Sirs,

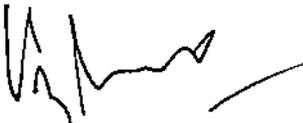
Sub: Annual Report 2017-18

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), 2015, we are attaching a copy of Annual Report for the Financial Year 2017-18.

We request you to kindly take the above on record.

Thanking You,

Yours faithfully,
For **Tata Global Beverages Limited**


(V. Madan)
Vice President & Company Secretary



Encl.: as above

TATA GLOBAL BEVERAGES LIMITED

Kirloskar Business Park Block-C 3rd & 4th Floor Hebbal Bengaluru-560 024

Tel 91-80-67171200 Fax 91-80 6717 1201

Registered Office 1 Bishop Lefroy Road Kolkata 700 020

Corporate Identity Number (CIN) - L15491WB1962PLC031425

E-mail id - investor.relations@tataglobalbeverages.com

Website address - www.tataglobalbeverages.com



TATA TEA 1868, A SPECIALLY CURATED RANGE OF TEAS, TO CELEBRATE 150 YEARS OF TATA GROUP, DEBUTED AT WORLD ECONOMIC FORUM 2018, DAVOS

MILESTONE MOMENTS



TETLEY CELEBRATES 180 YEARS



HIMALAYAN SPARKLING ELEVATES THE FINE-DINE EXPERIENCE

TATA STARBUCKS OPENS 100TH STORE IN INDIA



JAAGO RE 2.0 SUBMITS 1.8 MILLION PETITIONS TO HRD MINISTER ON WOMEN'S SAFETY AND SPORTS CULTURE

Corporate Information

BOARD OF DIRECTORS

N. Chandrasekaran (w.e.f. July 3, 2017) (Chairman)
Mallika Srinivasan (Mrs.)
V. Leeladhar
Ranjana Kumar (Mrs.)
S. Santhanakrishnan
Ireena Vittal (Mrs.)
Siraj Azmat Chaudhry (w.e.f. July 3, 2017)
Harish Bhat
Ajoy Misra, Managing Director & Chief Executive Officer
L. Krishnakumar, Executive Director & Group CFO

V. Madan, Vice President and Company Secretary

BOARD COMMITTEES

AUDIT COMMITTEE

V. Leeladhar (Chairman)
Ranjana Kumar (Mrs.)
S. Santhanakrishnan
Ireena Vittal (Mrs.)
Harish Bhat (w.e.f. March 21, 2018)
Siraj Azmat Chaudhry (w.e.f. March 21, 2018)

NOMINATION AND REMUNERATION COMMITTEE

Ranjana Kumar (Mrs.) (Chairperson)
N. Chandrasekaran (w.e.f. July 3, 2017)
V. Leeladhar
Harish Bhat

STAKEHOLDER RELATIONSHIP COMMITTEE

V. Leeladhar (Chairman)
S. Santhanakrishnan
L. Krishnakumar

ETHICS AND COMPLIANCE COMMITTEE

V. Leeladhar (Chairman)
Ranjana Kumar (Mrs.)
Ajoy Misra

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ranjana Kumar (Mrs.) (Chairperson)
V. Leeladhar
S. Santhanakrishnan
Ajoy Misra

EXECUTIVE COMMITTEE

Harish Bhat (Chairman)
Ireena Vittal (Mrs.)
Ajoy Misra
L. Krishnakumar

RISK MANAGEMENT COMMITTEE

V. Leeladhar (Chairman)
Ranjana Kumar (Mrs.)
S. Santhanakrishnan
Ireena Vittal (Mrs.)
Harish Bhat
Siraj Azmat Chaudhry (w.e.f. March 21, 2018)

COMMITTEE FOR SPECIAL PROJECTS

V. Leeladhar (Chairman)
Ranjana Kumar (Mrs.)
Harish Bhat
Ajoy Misra
L. Krishnakumar

M&A AND DIVESTITURE COMMITTEE

V. Leeladhar (Chairman)
Harish Bhat
Ajoy Misra
L. Krishnakumar
Siraj Azmat Chaudhry (w.e.f. March 21, 2018)

REGISTERED OFFICE

1, Bishop Lefroy Road, Kolkata - 700 020
Telephone : 033-22813779/3891/4422/4747/66053400
Fax : 033-22811199
Website : www.tataglobalbeverages.com

SOLICITORS AND LEGAL ADVISERS

Anand and Anand
AZB & Partners
Cyril Amarchand Mangaldas
Dua Associates
Khaitan & Co.
Orr Dignam & Co.
Veritas Legal

AUDITORS

Deloitte Haskins & Sells LLP

REGISTRARS

TSR Darashaw Limited
(Formerly Tata Share Registry Limited)
(Unit : Tata Global Beverages Ltd.)
6-10, Haji Moosa Patrawala Ind. Estate,
20, Dr. E. Moses Road, Mahalaxmi,
Mumbai - 400 011
Telephone : 022-66568484; Fax : 022-66568494
Website : www.tsrdarashaw.com

Kolkata Office

1st Floor, Tata Centre,
43, Chowringhee Road,
Kolkata - 700 071
Telephone : 033-22883037; Fax : 033-22883097

BANKERS

Bank of America
Citibank N.A
Coöperatieve Rabobank U.A
Deutsche Bank
HDFC Bank Limited
ICICI Bank Limited
Standard Chartered Bank
State Bank of India
The Hongkong and Shanghai Banking Corporation Limited
YES Bank Limited
IndusInd Bank Limited
Kotak Mahindra Bank Limited

Our Approach to Integrated Reporting

Report Approach

The Annual Report 2017-18 is aimed at meeting the information requirements of all our stakeholders to help them make informed decisions regarding Tata Global Beverages Limited. It details the Company's value creation process and presents relevant information on the Company's performance, in a balanced and concise manner.

Standards and Framework

Through this Report, we have attempted to enhance our disclosures and have created the content elements in the non-statutory section of the Report, following some of the guiding principles of the International Integrated Reporting Council (IIRC) recommended International Integrated Reporting <IR> Framework. The other statutory reports, including the Director's Report, Management Discussion and Analysis (MD&A) and the Corporate Governance Report, are as per the Companies Act, 2013 (including the rules thereunder), Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

Scope and Boundary of the Report

The reported information for the Financial Year 2017-18, covers information on the Company's major operations in India, the US, Canada, the UK, Australia and other countries and the comparative figures to provide a holistic view to our stakeholders.

Leadership Accountability

The Company's senior management, under the Managing Director's supervision, have reviewed the Report content. The Board Members of the Company have provided the required governance oversight and ensured risk management and controls.

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The year has been a memorable one for us at Tata Global Beverages (TGB)



We explored new categories, re-defined product experiences and strengthened our core brands with powerful marketing campaigns.

Our milestones this year range from those which celebrate the legacy of the Tata group and the heritage of our brands to key initiatives on innovation, brand communication and process improvement.

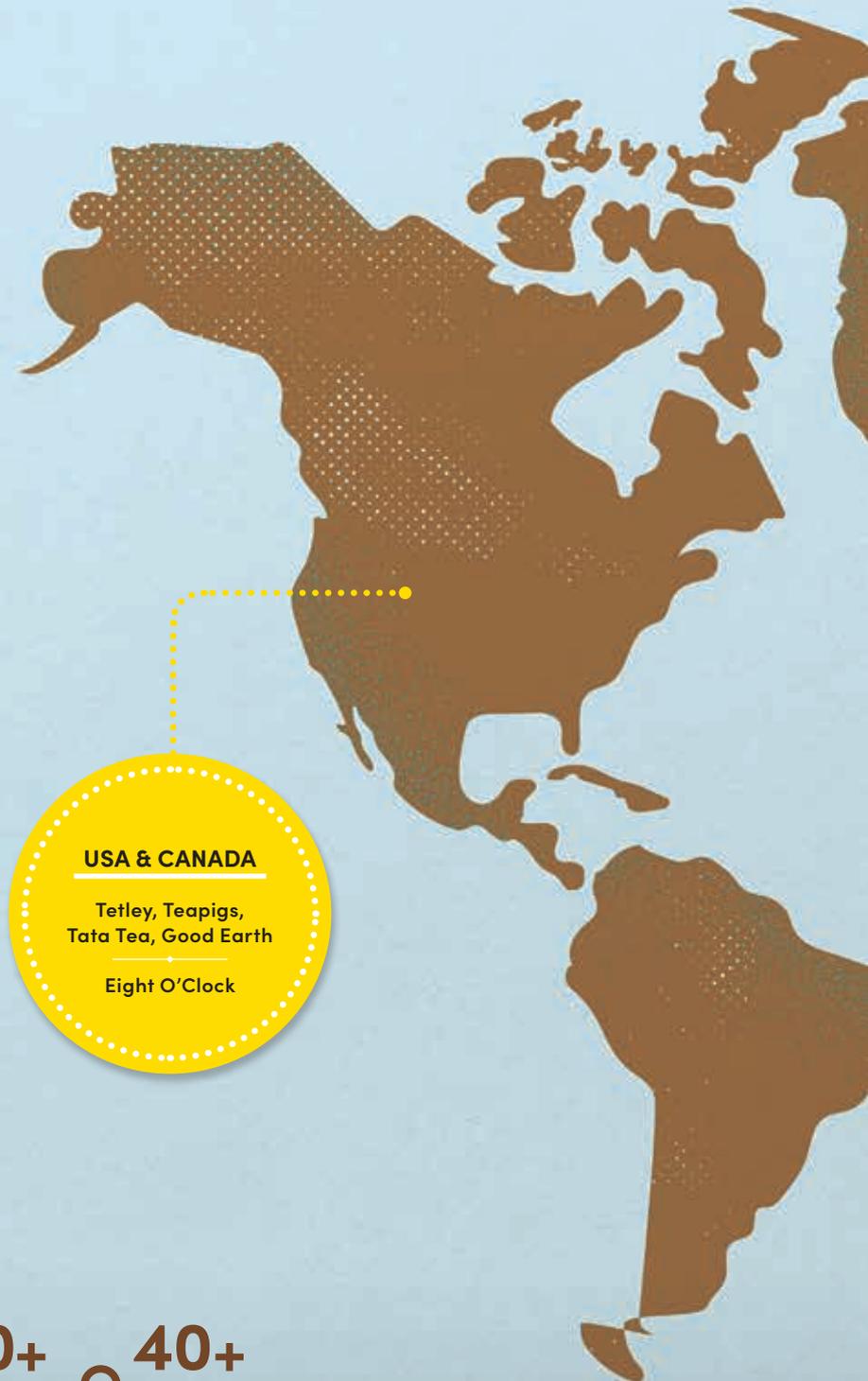
Our commitment to creating magical beverage moments and the inspiration we draw from our brands and consumers have helped us build lasting experiences savoured by millions worldwide every day.

Every milestone moment we crossed has enthused us to strive to create more milestone moments that count for a lifetime.



Who We Are...

TATA GLOBAL BEVERAGES (TGB) IS A NATURAL BEVERAGES COMPANY WITH FOCUS ON TEA, COFFEE AND WATER. IT HAS EVOLVED FROM A PREDOMINANTLY PLANTATION-BASED INDIAN ENTITY INTO A GLOBAL BRAND FOCUSED ORGANISATION WITH A PORTFOLIO OF SEVERAL INNOVATIVE INTERNATIONAL AND DOMESTIC BRANDS. LED BY SHARP CONSUMER INSIGHT AND GUIDED BY THE ENDURING TATA LEGACY, TGB AIMS TO DELIGHT WITH EVERY SIP.



USA & CANADA
 Tetley, Teapigs,
 Tata Tea, Good Earth
 Eight O'Clock



Note: Map not to scale

**EUROPE, RUSSIA
& THE MIDDLE EAST**

Tetley, Vitax,
Teapigs, Tata Tea
Grand Coffee

SOUTH ASIA

Tetley, Tata Tea
Tata Coffee Grand
Tata Gluco +,
Tata Water Plus,
Himalayan

AUSTRALIA

Tetley, Teapigs
MAP

AFRICA

Tetley, Lager

2000+

SKUs produced across
tea, coffee and water

330million +

servings of our brands consumed
every day across the world



Vision, Purpose & Values

Our Vision

To be the most admired natural beverages company in the world by making a big and lasting difference in tea, coffee and water.

Our Purpose

We will focus on creating magical beverage moments for consumers and an eternity of sustainable goodness for our communities.

Our Values



ARANYA NATURALS IN INDIA

(part of Srishti Trust, Munnar supported by TGB)

First International Craft Award
for Organisation / Company for
Business Development of Craft
Sector in India

TATA TEA IN INDIA

Ranked No. 2 in ET Brand
Equity's India's Most
Trusted Brands - Hot
Beverages category

THREE PLANTS IN INDIA

CI's Significant Achievement
in Food Safety

Awards & Achievements for the year

JAAGO RE AND TETLEY SUPER GREEN IN INDIA

Times Network
National Award for
Marketing Excellence

TETLEY IN UK

Foodservice Brand of the Year 2017
Great Taste Award for three products

Performance Highlights (Consolidated)



○ **Rs. 6,815 Crores**
Revenue from Operations

○ **Rs. 774 Crores**
Profit before Exceptional Items and Tax

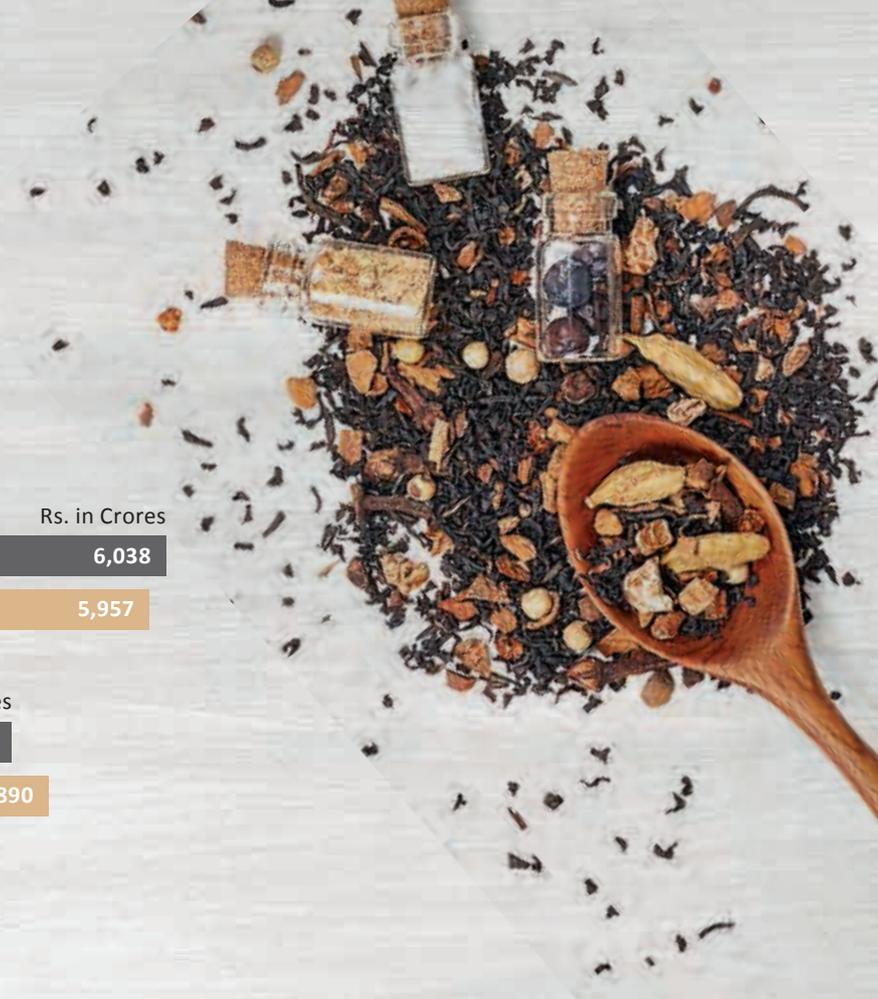


○ **Rs. 557 Crores**
Net Profit

○ **Rs. 7.85**
Earnings per Share

○ **Rs. 16,330 Crores**
Market Capitalisation





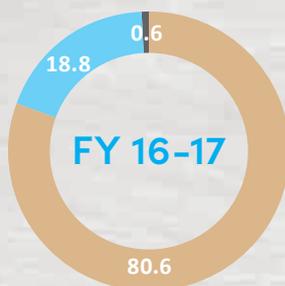
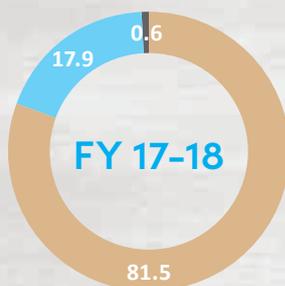
Segmental Revenue



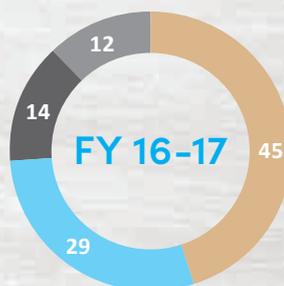
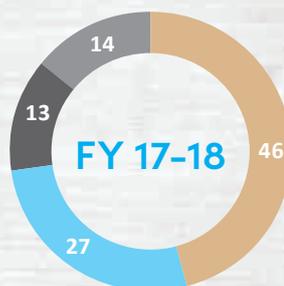
(Including intersegment sales)

Branded Sales

Category-wise (%)



Brand-wise (%)



■ Tea ■ Coffee ■ Others

■ India Tea Brands ■ Tetley

■ Eight O'Clock ■ Others & Speciality Brands



Brand Highlights



Tata Tea

MOVED TO NO. 2 FROM NO. 13 IN ET BRAND EQUITY RANKING OF INDIA'S MOST TRUSTED BRANDS IN HOT BEVERAGES CATEGORY

JAAGO RE 2.0 GARNERED 1.8 MILLION ONLINE SIGNATURES IN SUPPORT OF WOMEN'S SAFETY AND BOOSTING THE SPORTS CULTURE IN INDIA

Premium

- Continues to be the largest tea brand in India and maintains its leadership position in 2017-18

Gold

- Accelerated its growth across all key geographies this year. The brand continues to be the growth driver in the premium segment
- Tata Tea Gold Mixture, a customised offering for Maharashtra, witnessed increased traction among consumers and improved on key brand health metrics

Elaichi Chai

- Continues the growth momentum in the current year and has helped in gaining from competition and locals in stronghold markets

Teaveda

- The brand has grown and added new consumers versus our previous play in this segment

Chakra Gold

- Retains its position as the 2nd largest tea brand in South India both by volume and value

Kanan Devan

- Retains its position as one of the leading dust brands in Karnataka and Kerala
- Kanan Devan Photography Escapade, India's largest photography reality show targeting the youth, completes its third successful edition

Gemini

- Registered growth over PY and continues to be the market leader in volume and value share in Andhra Pradesh and Telangana

Agni

- Continues to be the volume driver of Tata Tea portfolio, gaining from local unbranded players

Masala

- As an extension of the spice mix range, Tata Tea Masala was launched in H2 17-18 and the initial market response has been positive

Tetley

UK

- Celebrated its 180th anniversary with activation through pictures from our archives and a limited-edition caddy for consumers
- Launches Tetley Super Squash – our first innovation outside the tea category
- Wins three Great Taste Awards, Gold Medal Foodservice Brand and Product Excellence Award Winner
- Hot Tea NPD launches include Indulgence Flavoured Black Tea Range, Super Matcha and Super Sunshine
- More buyers than any other tea brand, making us the nation's favourite

Rest of Europe

- Launches Tetley Super Teas in Sweden and Finland

USA

- Helps stem decline in black hot tea category and crosses 10% market share milestone

Canada

- Wins Canada's Most Trusted Brand for the fourth year with increasing consumer loyalty



Other Tea Brands

Australia

- The packaging of the Fruit & Herbal range moves from pyramid to dual-chamber teabags, for better consumer value and quality control

India

- Launches a new campaign with Deepika Padukone as the brand ambassador
- Introduces new packaging for Super Green Tea and new SKUs in the market

Middle East

- Loose tea introduced in the Tetley portfolio across the GCC, with two variants launched (Strong and Gold)

Poland

- Enters OOH market with a range of Tetley's high-quality blends

South Africa

- The Tetley Black tea growth MAT March 2018 vs. PY is 54%
- 2nd largest Pure Green tea brand within six months of launch

Good Earth

- (Australia) Good Earth Kombucha RTD range launched and gains traction in OOH and independent grocers
- (USA) The brand is back on a growth path in top-line after an extended period of decline

Vitax

- Launches three Vitax NPDs in the top-selling flavours in the mainstream Family range
- Launches two new SKUs - Citrus and Fennel

Teapigs

- Launches a new range of Matcha Latte single-serve sachets in three flavours - Cocoa, Chai and Turmeric

Joekels

- Laager Rooibos regains its position as the 2nd largest Rooibos brand in the world



teapigs.



Coffee

Eight O'Clock

- Announced a multi-year expansion of their successful partnership with Keurig Green Mountain, Inc. (Keurig) for the manufacturing, sales, licensing and distribution of Eight O'Clock® coffee in K-Cup® pods for use in Keurig® brewers
- 100% Brazilian Breakfast awarded ChefsBest® Excellence Award for surpassing quality standards established by independent professional chefs

Tata Coffee Grand

- Roast & Ground variant garners stable volumes with improved brand awareness and market share in key markets

MAP

- Upgrades OOH packaging to bring alignment across total portfolio behind its 'Grab Life by the Beans' positioning



Water

Tata Water Plus

- Registered aggressive growth in the PET bottle format in 2017

Tata Gluco +

- Relaunch of brand with juice formulation, supported by upgrade in pack design
- New market Odisha showing promising growth for the brand

Himalayan

- Himalayan Orchard Pure launches in Starbucks stores and on e-commerce platforms across India

Managing Director & CEO's Message

DEAR SHAREHOLDERS,

IT BRINGS ME GREAT PLEASURE TO REPORT THAT YOUR COMPANY DELIVERED ROBUST RESULTS IN 2017-18, REGISTERING A GROWTH OF 9% IN CONSOLIDATED OPERATING PROFIT AND 22% IN CONSOLIDATED NET PROFIT. OUR PERFORMANCE AND YOUR CONFIDENCE IN US HAVE HELPED US ACHIEVE 72% INCREASE IN MARKET CAPITALISATION.

We have aptly utilised the growth opportunities presented by the dynamic beverage landscape by reaffirming, as well as extending our footprint in the segments of tea, coffee and water. In the last year, we strengthened our base business, entered new categories and expanded our investment in incubatory ventures with a long-term growth target. At the same time, we continued our efforts to energise product development, with immense focus on innovation and operational efficiency.

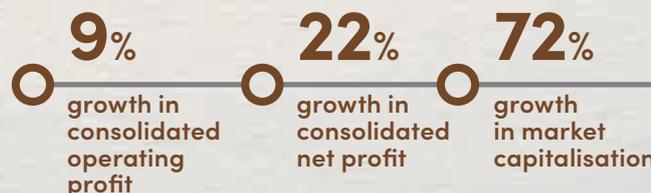
The consequences of Brexit, adverse currency movements in the economies we have a presence in, and intensifying global competition, were some of the macroeconomic challenges that we had to overcome in the international markets. In India, we recorded a good performance in branded businesses and weathered the impact of GST well.

The year saw a number of milestones ranging from celebrating our rich heritage to product innovation, process improvements, and strong marketing campaigns. Through this Annual Report, I am happy to share and celebrate these special moments with you.

To commemorate the Tata group's 150th anniversary, we launched the specially curated Tata Tea 1868 blends at the World Economic Forum, 2018, in Switzerland. Tetley turned 180 years, and we leveraged this across markets through communication underscoring the brand's rich heritage and quality credentials. Further, Tata Starbucks opened its 100th store in India, and Himalayan water began a phased entry into the US market through a distribution agreement with Talking Rain.

The Tata Tea brand's iconic Jaago Re campaign continued its journey to mobilise society into pre-emptive action on critical social issues in India. The campaign catalysed the submission of 1.8 million petitions to the Indian government, championing women's safety and building a culture of sports among youth in India.

We are proud of the fact that the DARE (Developmental Activities in Rehabilitative Education) School supported by Tata Global Beverages in the Munnar region, completed 25 years of helping differently-abled children become more self-reliant.





Innovating in the tea, coffee and water space

We have continuously reinvented our products and brands – be it their development or delivery – through the years.

Tetley strengthened its range with three new teas: Indulgence Flavoured Black Tea Range, Super Matcha and Super Sunshine. For the Middle Eastern markets, Tetley launched a new loose tea variant.

Teapigs, our super premium brand, launched a new range of Matcha Latte single-serve packs in the flavours of Cocoa, Chai and Turmeric. Tata Tea extended its range with the introduction of Tata Tea Masala, which was very well received.

We reimagined the Good Earth brand in US, complete with a new visual brand identity, a new product portfolio, refreshed packaging and a digital route to selling and marketing. The brand now sells a large organic range, among others, with exotic ingredients, in biodegradable tea bags.

In India, we pilot-launched our first tea café, Tata Cha, creating a social hub with tea as the hero drink. Our partnership with Starbucks was taken to new heights with Vistara serving the Starbucks® India Estates Blend to its in-flight passengers, thereby creating a new customer experience.

Integrating well-being in our brands

Beverages are steadily being seen as part of a healthy lifestyle. In keeping with this trend, we have expanded our product portfolio.

Good Earth is now home to a diverse range of herbal and organic tea blends. We launched Tata Tea Fruski, a unique, herbal ready-to-drink tea. After a successful launch in the UK, Tetley Super Green Teas were launched in India.

Tetley also forayed outside the tea segment in the UK for the first time with its Super Squash drink range. Based on a blend of real fruits, the squashes are a sugar-free source of certified benefits.

In the US, the Eight O’Clock Infusions range continued to deliver an enhanced coffee experience with three new variants: Super Spice, Acai Glow and B6 Metabolism.

Further, we brought Kombucha, an organic, carbonated drink that is naturally low in sugar, to the Australian market, under the Good Earth brand, after conducting extensive store trials.

Growing sustainably

Sustainability continues to be integral to our business through five pillars: Sustainable Sourcing, Climate Change, Water Management, Waste Management and Community Development.

We are working to ensure that by 2020, all the tea that we buy will be sourced sustainably. Our sustainable sourcing involves founding partnerships with other stakeholders in the tea industry, such as the Ethical Tea Partnership (ETP) and Trustea. The majority of Tetley tea is sourced from Rainforest Alliance Certified™ farm regions. Eaglescliffe in the UK, our largest manufacturing plant, is a zero waste-to-landfill factory and we are trying to reproduce the same in all our plants.

Before I end, I would like to express my appreciation and gratitude for the support we have received from every stakeholder, including governments and institutions. Your continued encouragement energises us to stay ahead of the market, uphold our vision and core values and deliver millions of servings and smiles.

With warm wishes,

Ajoy Misra
MANAGING DIRECTOR & CEO

The Blueprint for Our Success (Business Model)

Our business is built on...

THE ABUNDANCE OF NATURE

Natural Capital

Our tea, coffee and water businesses are intricately related to and dependent on the natural ecosystems of the locations where they operate.

We preserve natural capital through:

- 68,552 sq m of rooftop area connected to rainwater harvesting
- Ensuring zero waste-to-landfill at all factories in EMEA and India
- Energy intensity - 6% improvement in kWh/t over previous year
- Sourcing 7% of energy from renewable sources

THE COLLECTIVE SKILLS OF OUR GLOBAL WORKFORCE

Human Capital

Our workforce across the globe and their collective skills, experiences, and capabilities contribute to achieving our Vision and Purpose.

We enhance the collective skills of employees through:

- 6,000+ hours of training
- 1,050+ employees with more than 20 years of experience in TGB

INNOVATION THAT HELPS EVOLVE OUR PRODUCTS AND BRANDS

Intellectual Capital

We continuously enhance our enduring brands across the broad spectrum of our products, including, tea, coffee, water and other beverages.

We keep innovating and offering something new through:

- Our cumulative blending experience of 990+ years
- Our spends on R&D, brand communication and product innovation

GLOBALLY - BENCHMARKED MANUFACTURING PRACTICES

Manufactured Capital

Our buying and blending teams adopt a strategic approach to help and create the finest blends of tea and coffee. Our manufacturing and packaging units are backed by world-class technologies.

We keep creating new benchmarks of manufacturing excellence in our own facilities and in co-packers through:

- 40+ factories and plants across geographies
- Producing 190 kT of tea and coffee and 40.9 million bottles of Himalayan water
- 2,000+ SKUs produced across tea, coffee and water

THE SOCIAL RESPONSIBILITY WE FULFIL

Social Capital

We believe in creating and sustaining long-term relations with communities that surround us.

We build long-term relations through:

- Statutory CSR spending of Rs. 6.51 crores
- Several other sustainability and responsible business initiatives and projects on a global scale.
- 1,915 employee volunteering hours

THE RELATIONSHIPS WE SHARE

Relationship Capital

For us, the prosperity of our value-chain partners is of paramount importance.

We ensure sustainable supply chain operations through:

- Sustainable sourcing – 100% in EMEA and CAA, 51% for Tata Tea brands in India

THE EFFECTIVE MANAGEMENT OF OUR FINANCIAL RESOURCES

Financial Capital

We relentlessly focus on value maximisation, cost management and efficient use of funds.

We ensure sustainable financial returns:

- EBIT Margin — 10.61%
- Net cash position — Rs. 1,017 crores

Our governance framework and strategic priorities support our business...

GOVERNANCE FRAMEWORK

- A global organisation, leveraging a networked organisation with a hierarchical structure, to be faster and agile
- An overarching Executive Office that helps in developing strategy and providing support for implementation across South Asia, EMEA (Europe, Middle-East and Africa), CAA (Canada, America and Australia) and other regions

- A global structure and Centre of Excellence for global operations, marketing, and other support functions with cross-functional teams

STRATEGIC PRIORITIES

- Base business rejuvenation
- Investing for growth
- Driving innovation
- Operational effectiveness
- Review portfolio options

Our business processes across geographies consist of...

SOURCING

We source high-quality tea and coffee from across the world, in adherence to sustainable sourcing standards. We depend on sustainable sources of water for our other beverages.

PRODUCING

We are committed to quality. Our facilities across the world are continuously reviewed and kept upgraded to meet the latest operating practices, based on internationally recognised quality and environment management standards.

MARKETING

We believe in the power of brands that leave lasting memories for our consumers.

We are committed to strengthening and growing our brands through innovative branding, communication and customer stewardship initiatives.

DISTRIBUTION

Our wide and deep distribution networks ensure that our products reach consumers in the farthest of regions. Apart from the traditional routes to market, we adopt modern trade, rural distribution and digital channels.

The value our business delivers for our stakeholders...

SUSTAINABLE AND CONSISTENTLY GROWING RETURNS FOR OUR SHAREHOLDERS AND INVESTORS

Financial Capital

- Earnings per share — Rs. 7.85
- Market capitalisation — Rs. 16,330 crores

AN ENRICHING EXPERIENCE AND A GAMUT OF OPPORTUNITIES FOR OUR EMPLOYEES

Human Capital

- 40% of employees are women
- 10% improvement in Loss-Time Injuries (LTI)
- 37% reduction in All Accidents rate

SUPPORTING NATIONAL ECONOMIES AND INVESTMENTS IN COMMUNITIES AROUND US FOR POSITIVE AND LASTING IMPACTS

Social Capital

- Statutory CSR spending of Rs. 6.51 crores
- 550,000 CSR beneficiaries

A REFRESHING EXPERIENCE FOR OUR CONSUMERS EVERY DAY, ACROSS THE WORLD

Intellectual Capital

- 330+ million servings
- Brand health indicated with 90% awareness (aided)
- Reduction in quality complaints by 18%
- Customers delighted with 10+ new products every year and 69 new blends developed per year

A SUSTAINABLE SOURCE OF LIVELIHOOD AND LONG-TERM BUSINESS ASSOCIATION FOR OUR SUPPLIERS AND DISTRIBUTION NETWORK PARTNERS

Relationship Capital

- Number of distributors — 1.9 million in India and 33,000+ in overseas markets
- 2700+ suppliers

Winning Moments

An unforgettable year dotted with winning moments.

That was 2017-18 for us.





The second phase of the one-of-a-kind Jaago Re initiative, synonymous with our Tata Tea brand, picked up momentum and reached its peak.



The time-tested legacy of our iconic brands celebrated landmark years as well. Tetley's 180th anniversary had love pouring in from all corners of the world. Specially curated, limited edition blends were showcased at the World Economic Forum (WEF) this year to commemorate 150 years of the Tata group. If the WEF platform put the spotlight on India's role in the global economy, the blends of Tata Tea 1868 brought the taste of India to the world's elite.

We led from the front in empowering communities and driving social change. The DARE School in Munnar, supported by TGB, entered the 25th year of its operations.

At TGB, such winning moments kept us going.

And we look forward to creating many more such moments going forward.



A Wake-Up Call to Drive Change through Pre-Activism

Tata Tea's iconic campaign Jaago Re 2.0 - 'Alarm Bajne Se Pehle, Jaago Re' - moved into its second phase, urging people to be the change they wish to see. While the first phase of the campaign showcased the 'reactive' nature of people and introduced a new form of activism - 'pre-activism'; the second phase aimed to inspire citizens to pre-act and drive a behavioural change by signing petitions on issues currently plaguing the country - women's safety and the lack of sporting culture.

THE ROAD TO ONE MILLION

1.8 million online petitions on making gender sensitisation and sports compulsory in school curriculum were submitted to the Government of India as the first big step towards building public and stakeholder opinions. It also aims to drive relevant policies for an actionable roadmap to make this vision a reality. Besides the petitions, the campaign also involved pledges from parents to mobilise the change in their children and localities alike.

To give the campaign its desired reach, we partnered with Network18, a leading network with a wide audience base both in television and digital media. Ranjana Kumari, Director of Centre of Social Research, and Dipa Karmakar, the first female gymnast to compete in the Olympics, were roped in as torchbearers to drive these petitions. The campaign was socialised through multiple news programmes, talk shows and on digital to garner support for the petitions and catalyse action on a large scale.

- Additional collaborations through blogs, influencers, mobile networks and other media houses
- YouTube video content
- Facebook smart app
- Widgets enabled for submission of petitions on native platforms

On February 8, 2018, the Union Minister of Human Resource Development, Government of India, was presented with 1.8 million signed petitions. Upon receiving the petitions, he declared that the ministry would add a window for gender sensitisation to the web portal operated under the flagship scheme Sarva Shiksha Abhiyan (SSA).



Let's give our young athletes a chance to be Champions of Tomorrow



ACTIONS SPEAK LOUDER THAN WORDS

To further embed the thought of pre-activism, 'Jaago Re 2.0' 'walked the talk' to substantively carry forth meaningful change on these two issues in focus. We initiated on-ground initiatives such as 'Suraksha' and 'Champions of Tomorrow'.

Ladies 'Suraksha' first

The Suraksha initiative was carried out across 328 schools in Delhi, Punjab, Haryana and Uttar Pradesh. A special self-defence training programme module was prepared with the help of experts using elements from various kinds of martial arts.



Tata Tea Jaago Re is the first brand in India to map SMS & browser notifications to receive petitions

Impact

300+ million

people were reached through the campaign, which is half of the digital audience penetration in the country

31 million

consumer engagements across media

1.8 million

signed petitions across the country

1.06 million petitions

gender sensitisation

0.73 million petitions

sports education

93,000+

girls in the age group of 10 to 16 years were trained

Paving the way for 'Champions of Tomorrow'

In association with Athletics Federation of India (AFI), we conceived Champions of Tomorrow as a platform to identify India's most promising athletes aged under 16; and provide them the opportunity to hone their skills and turn into future champions. 12 promising athletes were selected to travel to the UK for an eight-day training programme at Loughborough University.



50 days

3,000+ athletes

500+ schools

6 cities



Group Chairman, N. Chandrasekaran, enjoying the Tata Tea 1868 at WEF, Davos

A Befitting Toast to the Tata Legacy

Jamsetji Nusserwanji Tata's vision, to place community at the core of an organisation's purpose, was the foundation of the Tata group in 1868. Today, with a rich history of 150 years, the group is synonymous with the core values of integrity, excellence, unity, responsibility and pioneering. TGB is proud to be a part of the Tata group and to celebrate its 150th milestone, we decided to leverage our key offering, the signature of India's hospitality — Chai!

Tata Tea 1868 is a specially curated, limited edition collection of blends that debuted at the WEF's annual meet in Davos, Switzerland. This global forum provided the perfect setting with its gathering of some of the world's most influential people – from politicians and intellectuals to business leaders – and it was also the first year in which India was leading the deliberations.

The Three Blends of Tata Tea 1868

Representative of India, the quintessential melting pot of cultures, three unique blends—Organic Hathikuli, Kashmiri Kahwa and Masala Chai—make up this collection. These teas, which were served at the WEF and gifted to the delegates attending the Tata reception, received excellent feedback.



ORGANIC HATHIKULI

A robust, full-bodied orthodox whole-leaf black tea, sourced from the 100% organic Hathikuli tea estate, in Kaziranga National Park; this black tea captures the essence of Assam—its bold, earthy character and uninhibited mountain wilderness.

MASALA CHAI

A sensory medley of black tea and spices (cardamom, cinnamon, clove, ginger and pink pepper), Masala Chai, India's beverage of choice, surprises the taste buds with its unexpected sweet and spicy notes.



KASHMIRI KAHWA

An exotic blend of green tea and spices (cinnamon, cardamom and rose petals) that is typically brewed in brass kettles called 'Samovars', Kashmiri Kahwa is a mild infusion of subtle spice flavours best enjoyed with saffron strands and crushed almonds.



TQB is proud to be a part of the Tata group and to celebrate its 150th milestone, we decided to leverage our key offering, the signature of India's hospitality — Chai!

Brewing the Perfect Cuppa since 1837

The tale of Tetley goes back to the early 19th century. Little did brothers Edward and Joseph Tetley know that the family business they began at Cullum Street, London, would one day revolutionise the tea industry worldwide. Today, Tetley is the world's second largest tea brand and the largest in TGB's portfolio.

Over the years, Tetley has remained a contemporary tea brand by catering to the evolving preferences of consumers with its exquisite blends. 45 million cups of Tetley tea are served across 63 countries, every single day. That's more than 500 cups every second!

The milestone of completing 180 years was commemorated in multiple ways. The kick-off was an article in the Daily Mail, UK and it took readers on a nostalgic journey through rare images from Tetley's archives. Here are some examples from Tetley's archive of never-before-seen images, which were released to mark its 180th anniversary.



A visit from Duchess of Kent



King George VI visiting the Tetley site when it was first opened in Greenford. Lyons' Tea company stepped in to help Tetley with deliveries during World War II, explaining the branded lorries in the above photo





A shot of the factory with female workers in the late 1800s



An advertisement from the late 1950s featuring Lady Isobel Barnett, a prominent radio and television personality



London's Mincing Lane blending room in 1897 showing the custom-made crockery that is used by our blenders even today



Besides this trip down memory lane, we extended the celebration to our consumers through interactive activities, contests, limited edition merchandise and 'teatorials,' where renowned British journalists were invited to become an apprentice at Tetley to experience a day in the life of a tea blender, understand Tetley's quality credentials and have a peep at the latest innovations brewing at Tetley's headquarters.

Tetley's master tea blender, Sebastian Michaelis, also teamed up with mathematician - Dr. James Hind, of Nottingham Trent University, to reveal the equation for the perfect blend. The equation highlights the complexity of the humble cuppa, and the art form of creating the perfect blend. It boils down to training, skill and expertise – a whopping 180 years of it!



Surrounded by Tata Starbucks partners (employees), (from L-R) Ajoy Misra, MD & CEO, Tata Global Beverages; Harish Bhat, Brand Custodian, Tata Sons; John Culver, Group President, Starbucks International and Channel Development; and Sumitro Ghosh, CEO, Tata Starbucks, celebrate the Company's opening of the Victoria Mills store - the 100th store in Mumbai, India - and its five-year market anniversary



Hitting a Century in India

Tata Starbucks was recognised as one of the 'Top Ten India's Best Workplaces in Retail', by the prestigious Great Place To Work® Institute

When the 'third place' between work and home was introduced to India in 2012, it created a huge stir.

On its fifth anniversary in India, Tata Starbucks - a joint venture between Starbucks Coffee Company and TGB - crossed a milestone of 100 stores in the country. Located in Kamala Mills, one of Mumbai's bustling hubs, the landmark 100th store is designed to honour India's coffee heritage.

The fifth year also saw us expand our presence, with Tata Starbucks opening doors to customers in the City of Joy - Kolkata with three new stores.

We didn't stop at that. 2017-18 saw the celebrations continue in the sky through another Tata brand, Vistara, a joint venture between

Tata Sons Ltd. and Singapore Airlines Ltd. and the freshest entrant in India's aviation industry. The airline started serving passengers freshly brewed Starbucks® India Estates Blend, a medium-roast coffee sourced from the estates of Coorg and Chickmagalur. In doing, so it has become the first airline in South and Southeast Asia to serve Starbucks onboard, reinstating its value proposition of redefining the in-flight service experience.

The Starbucks journey and success in India was recognised in other ways as well. In addition to keeping our customers happy, Tata Starbucks was recognised as one of the 'Top Ten India's Best Workplaces in Retail', by the prestigious Great Place To Work® Institute.



Celebrating 25 Years of Empowerment through Rehabilitation

For businesses, milestones are not just about commercial success, they are also about the value they create for all stakeholders. So, when the DARE School - under the umbrella of the Srishti Trust supported by TGB and the Tata Trusts in Munnar, Kerala - turned 25, it called for some special celebration.

The DARE School has played an important role in empowering differently-abled children in and around Munnar by providing access to education and other developmental activities with the sole purpose of making them self-reliant and future-ready. Many of the children are absorbed in the various projects at Srishti depending on their ability: Athulya (handmade paper and stationery), Aranya (natural dyes and textile design), Nisarga (fruit preserve), The Deli (bakery and confectionery) and the Garden Project.



A CONFERENCE WITH PURPOSE

To commemorate the 25th year of the school, a conference, themed 'Recent Trends in Special Education for Young Persons with Special Needs', was organised. Speakers from Sweden, Israel, Australia and the US addressed the gathering in Munnar. The event facilitated a vibrant exchange of views, experiences and research findings. The purpose was to socialise innovative ways of rehabilitating differently-abled students, thereby enabling them to be independent and productive members of society.



The Srishti Trust was established in 1990 to empower the differently-abled children of the local tea pluckers. Over 200 children from the region have been rehabilitated through the years

New Spaces & Categories

2017-18 proved to be special
in more ways than one.

Besides reaching historical milestones in our journey, we also reinvented ourselves and entered new spaces and categories in line with consumer requirements.

This ranged from Ready-To-Drink (RTD) beverages leveraging the wellness trend to e-retail and the pilot launch of our tea café.

This has given us more opportunities to create magical beverage moments for our consumers.

This is what keeps pushing us to take on newer challenges and achieve more milestones.





A First-Of-Its-Kind Squash Range

Building on the success of the vitamins-infused Tetley Super Teas range, we broadened our presence in the area of functional drinks with a new innovation, Tetley Super Squash.

Launched in the UK, Tetley Super Squash is a move away from our 'tea comfort zone'. The product brings to consumers a first-of-its-kind squash range - a refreshing beverage for all age groups that is imbued with real fruit juices and vitamins carrying 3 EFSA (European Food Safety Authority) approved health benefits.

To gauge consumer reaction, we conducted a survey that revealed some encouraging results:

- There was a clear consumer pull with 80% showing high purchase intent as they felt that Tetley Super Squash was a good fit with the Tetley brand
- Repeat purchasers stood at 13.2%, higher than the leading competitor
- The product helped introduce new people to the squash category, enjoying the second highest proportion of new squash customers

Good performance for a new product:
10.5% of sales are incremental to the squash category



The Tetley Super Squash range is available in three flavours:

SUNSHINE WITH VITAMIN D

A refreshing and revitalising mix of orange and peach, with Vitamin D to help maintain healthy bones and teeth

BOOST WITH VITAMIN B6

A reinvigorating burst of berry flavours, with Vitamin B6 to help reduce tiredness and fatigue

IMMUNE WITH VITAMIN C

A tangy yet sweet combination of lime and elderflower, with Vitamin C to boost immunity





Instagram

number of followers increased from 1,500 to 7,000+

Facebook

number of followers increased from 75,500 to 99,000+

The result was incremental revenue; threefold increase in variant offerings; a change in thinking that facilitated a more agile way of working; a robust supply chain and speed-to-market



Tea Discovery Made Simple

Good Earth, our herbal tea brand in the US, was re-launched in 2017 with a new identity, refreshed website and a range of more than 50 exciting flavours. This proved to be a two-fold achievement for us. Not only were we able to revive the brand, it also helped us bridge the gap between online presence and over-the-counter availability.

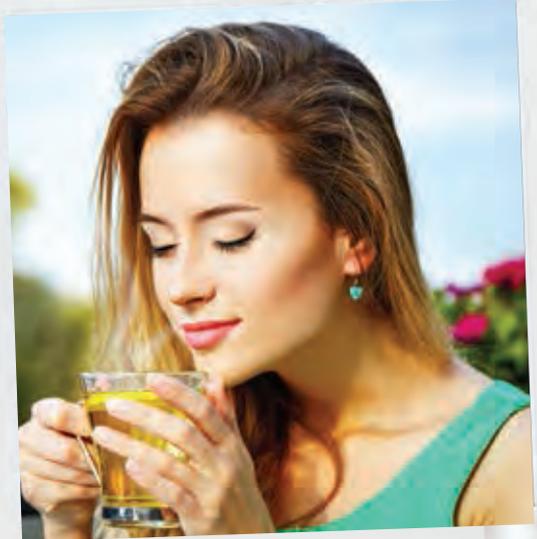
Consumer research revealed that large players offer premium teas on the shelf while smaller ones sell through e-retail. With the launch

of Good Earth Digital Boutique, we straddled both opportunities. The revamp included a website with e-commerce capabilities, Customer Relationship Management and product fulfilment setup.

We also wanted to address the concept of 'hyperpersonalisation'—helping consumers find their 'tea soulmate', intrinsically linking the choice of tea with one's personality and state of mind. A quick questionnaire filled out by visitors to the website got us 'talking' to them through a digital

interface. Through this, we were able to understand their preferences at different points in the day, provide the necessary recommendations and thereby, direct them to the best-suited blend.

The result was incremental revenue, a threefold increase in variant offerings, a change in thinking that facilitated a more agile way of working and a robust supply chain and speed-to-market. Most importantly, we were able to build a two-way interaction benefitting brand-building.





On a Mission to spread Chai Warmth

TGB's leadership in the tea space is built on a strong foundation and our ability to meet consumer needs. As a natural extension of our product profile, we wanted to create an ecosystem around tea, which is a quintessentially social drink.

The quick service restaurant (QSR) industry in India has been booming in recent times. There is also a need to bring youth into our ambit of tea lovers by creating a social hub with the beverage as the centre of attraction. This is how the concept of the Tata Cha café was born. In the last year, two of the four planned pilot stores have been launched in Bengaluru and are running successfully.

At Tata Cha, besides the familiar taste of the milk tea one usually finds in roadside stalls, consumers can also order a wide variety of differentiated teas and tea-based beverages. Traditional snacks, dunkers and meals with a modern twist complete the package.

The first Tata Cha pilot outlet opened its doors in Indiranagar, a prime location in the heart of Bengaluru

MENU, PLEASE!

- Healthy options like Cucumber Green Tea and Sugar-free Tangy Tamarind paired with oil-free Soya Kababs
- Local favourites such as Dilliwali Kanji, Masala Shikanji, Meetha Paan and Rasmalai Milk Shake
- Chilled beverages like Peach Iced Tea and Chili Guava Ice Slush
- The hot range, including Sikkim tea, Masala tea and Nimbuda Black tea
- Indigenous snacks such as Chatpata Matar Kulcha
- Forgotten delicacies like Dal Pakwaan

The menu and ambiance have helped create an experience that feels premium yet grounded and authentic, evoking nostalgia yet retaining a modern appeal for the young and old alike.



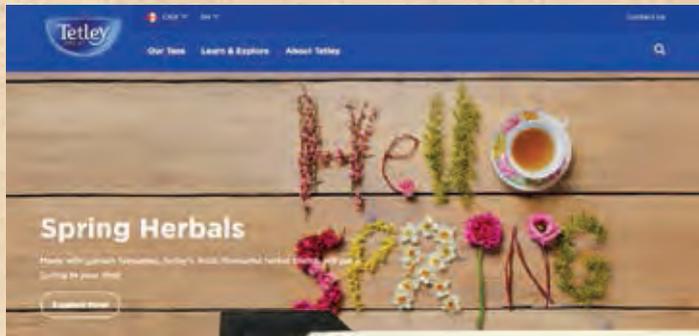
A World-Class Website for a Premium-Quality Tea

With 45 million servings everyday across the world, Tetley's challenge lay in providing a unified experience with a common tone of voice. A collaborative effort was undertaken to relaunch a digital platform that was premium and interactive while aiming to increase the share of Tetley sales online.

The world-class website straddles the three objectives of Engagement, e-Sales and Education. The website has extensive information on the health benefits of tea and provides hundreds of recipes using tea as an ingredient. It is also an enabler of e-Sales with product details, pricing and call-to-action buttons such as 'Buy Now' directing consumers to online retailers to complete their purchase.

The advantages resulting from the website re-launch were:

- It helped meet TGB's Global Digital Strategy of pushing the agenda of online sales by taking the consumers from the product pages directly to Amazon or Hypermart websites.
- It brought together a Cross-Functional Team (CFT) that leveraged knowledge of industry best practices, closed the content gaps and developed tools to measure real-time online sales for Tetley, online sales of competition, size of online tea market as well as SKU inventory and online ratings on a monthly basis.



The world-class website straddles the three objectives of Engagement, e-Sales and Education





The Himalayan Sparkling bottle was selected as part of the '200 Best Packaging Designs Worldwide', curated by the prestigious Lurzer's Archive (Vienna, Austria) in 2017

Adding Value to Water

Born in the mountains, Himalayan is a known name in the premium bottled natural mineral water category in India. This year, we leveraged the brand's value proposition and presence in the premium water segment to introduce a limited-edition packaging innovation and deliver a flavoured water variant. We also accomplished an innovative product activation by collaborating for an award show in the luxury category.

UNIQUE SOUND CAP

To bring alive the true essence of the product to our consumers through a multi-sensorial experience, we decided to carry the sound of the mountains home to them. A packaging innovation was formulated with the limited edition 'Sound of the Himalayas' bottle. It was an extension of the brand's 'Raw and Fine' philosophy and showcased

the fascinating story of the origin of Himalayan - the bottles were designed to play the sound of wind from the upper reaches of the Himalayas every time the cap was twisted open!

After two years in development and an extensive collaboration with sound engineers, time lapse trackers and product design experts across the world, the 'sound cap' bottles give consumers the unique experience of traversing the mighty snow-capped mountains while enjoying the taste of Himalayan Sparkling. To amplify the launch, a one-of-a-kind time travel film was developed capturing the journey of a drop of water traversing 20 years in the Himalayas.

ESCAPE TO THE ORCHARDS

The flavoured water segment is another area Himalayan forayed into in 2017-18. Available in apple, strawberry and peach variants,

Himalayan Orchard Pure is non-carbonated, natural mineral water with 100% natural flavours and no preservatives. It offers the purity of Himalayan Natural Mineral Water with the fresh flavours of the fruit orchards in the Himalayas.

AN ALLIANCE TO RECOGNISE THE FINEST

As an extension of its 'Raw and Fine' philosophy, Himalayan Sparkling partnered with the multimedia luxury travel brand, Condé Nast Traveller, to present the first edition of Top Restaurant Awards, India's definitive list of the country's 50 finest restaurants. With the 'Raw and Fine' rankings, these awards celebrated restaurants and chefs for whom ingredients with a unique and natural source play a central role in providing a superior experience much like the Himalayan brand itself.

Serving Simplicity and Authenticity

In keeping with our continuous bid to challenge category dynamics, we harnessed the goodness and popularity of tea to deliver tea-based offerings. The opportunity in the health refreshments category was largely unexplored, giving us the right leverage to tap this market with our refreshing RTD offerings.

GOOD EARTH KOMBUCHA

Good Earth Kombucha is a fermented tea made from tea, sugar, water and SCOBY (Symbiotic Culture of Bacteria and Yeast). The product is a naturally-carbonated, low-sugar product that is a healthy alternative to sweet drinks. With our heritage in tea, Kombucha was a natural fit as a new category to launch in. We identified Kombucha as the next mass trend in 'good for you' beverages due to its intrinsic health benefits. In the Australian market, this product is at the tipping point of consumer acceptance from niche to mainstream.

This year, we introduced Kombucha in Australia under the Good Earth brand. We chose the Good Earth brand after consumer research identified that this brand name and its ideals resonated with the key target audience of female grocery buyers aged 25-50. Good Earth is all about simplicity and authenticity with unique flavours to tickle the taste buds - similar to everything Kombucha stands for.

Since its launch in September 2017, sales volume has steadily grown month-on-month. At present, we are gearing up for the launch of additional flavours, focussing on out-of-home marketing opportunities.



GOOD EARTH KOMBUCHA FLAVOURS

- Original
- Passionfruit and Lime
- Pomegranate and Acai
- Lemongrass and Ginger

FRUSKI FLAVOURS

- Orange
- Mango



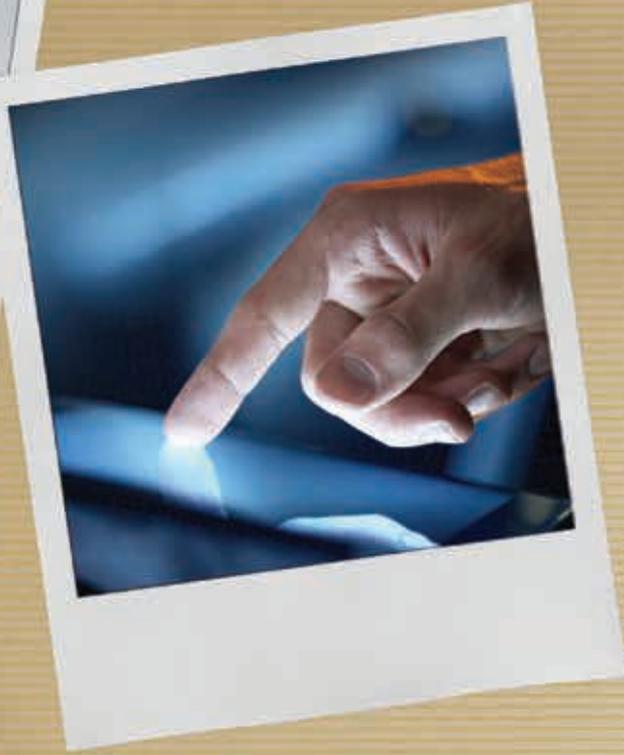
TATA TEA FRUSKI

Tata Tea Fruski, a pilot launch in the Delhi NCR region, was our first step into the Indian RTD beverages market. Riding on the back of the perceptible shift in consumer preferences, particularly the younger audience, towards natural alternatives to soft drinks, Fruski reinvented the iced tea category with a unique, green tea-based refreshing offering containing herbal ingredients and added benefits.

Process Improvement

Building an agile business requires working in a seamless manner.





To do this better, there is significant opportunity to better leverage technology in our business. The resulting improvements will enable us to operate with greater efficiency, reduce our cost base and fully tap the potential synergies across our businesses that operating on a global scale can bring us. The aim is to provide best-in-class products by embedding tech-enabled best practices in the system.



Ensuring a Seamless Way of Working

In our bid to follow best-in-class practices, we understand it is imperative to adopt modern technological solutions - such as Robotics Applications - and introduce initiatives to digitally transform our transaction processing activities.

With the objective of streamlining global processes, enhancing their efficiency and standardising transaction processing, TGB has transitioned some activities to managed services. The transition will enable our business managers to wholly concentrate on core business activities, growth and expansion.

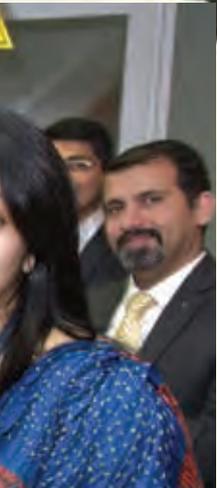
Tata Consultancy Services (TCS), with its extensive experience in the managed services domain, has partnered with TGB to deliver overall process efficiency and maturity. Implementation of suitable tools and workflows from TCS will lead to digitised documentation and seamless approvals in the TGB ecosystem.



Ajoy Misra, MD & CEO, TGB and K S Srinivasan, Global CHRO, TGB, inaugurating the TCS offshore Delivery Centre in Kolkata



TCS, in collaboration with TGB, will deploy suitable technological solutions and other digital initiatives to uplift the process maturity to the desired level. Appropriate tools and workflows will also be implemented for digitised documentation and seamless approvals



Some of the activities in functions such as Global Information Systems (GIS), Human Resources, Finance and Commercial in various regions such as the UK, the US, Canada, Australia and India—have been moved to managed services of TCS in Kolkata, during FY 2017-18. The remainder of the activities will complete transition to TCS by the end of Q1 FY 2018-19.

TGB has set up a dedicated group to govern and oversee the deliverables. Once the transition process is complete, there will be considerable value addition to the business with the establishment of automated controls and resultant cost competitiveness.

Risks and Opportunities

Risks

Key Risks	Context	Mitigation	Capitals Impacted
Decline in Black Tea Category	<ul style="list-style-type: none"> Continuous decline in black tea category in International markets Changing consumer preferences 	<ul style="list-style-type: none"> Innovation and planned growth in non-black tea categories such as fruit and herbal Growth in alternate segments such as RTD and coffee, Tata Cha, etc. 	Financial Capital, Intellectual Capital & Relationship Capital
Retailer Consolidation & Competition from Other Brands	<ul style="list-style-type: none"> Rising consolidation among retailers Increasing strength of large retailers Increasing competitive activity Increasing presence of private label 	<ul style="list-style-type: none"> Closely monitor pricing strategy and benchmarks in order to deploy required interventions Collaboration with retailers/consumers Planned increase in investment behind brands Rationalise business portfolios Manage pricing and promotion strategy at key customers in order to drive a stronger collaboration Increase in play of private label sales 	Financial Capital, Intellectual Capital & Relationship Capital
Volatility in Commodity Prices & Input Costs	<ul style="list-style-type: none"> Tea and Coffee: Price levels denote supply / demand position that may change quickly depending on weather conditions 	<ul style="list-style-type: none"> Diversification of commodity purchase amongst various sourcing channels such as private / forward purchase / alternate supply origins Coffee futures and option contracts to manage exposure to commodity prices 	Financial Capital & Manufactured Capital
Currency Volatility	<ul style="list-style-type: none"> Volatility in currency exchange movements in GBP, CAD and AUD Brexit impact 	<ul style="list-style-type: none"> Establish currency hedging policies and practices 	Financial Capital
Regulations & Compliances	<ul style="list-style-type: none"> Ever-changing set of complex and extensive laws and regulations 	<ul style="list-style-type: none"> Compliance Monitoring Tools Various compliance awareness trainings across the organisation Governance framework for compliance oversight 	Social Capital, Relationship Capital & Financial Capital
Inherent Risks in Innovations	<ul style="list-style-type: none"> Innovation fundamentally carries inherent risks attached to its success 	<ul style="list-style-type: none"> Innovation toolkit that follows review and monitoring process from ideation to post-launch stages to minimise the risks and enable success 	Financial Capital & Intellectual Capital
Cyber Security	<ul style="list-style-type: none"> Growing number of sophisticated cyber attacks / crimes targeted to specific industry / organisation 	<ul style="list-style-type: none"> Multi-level security measures: <ul style="list-style-type: none"> Cyber security assessment Information security and privacy policy Cyber security trainings and awareness programmes 	Financial Capital & Relationship Capital



Opportunities

CHANGE IN CONSUMER PREFERENCES

Consumers are continually shifting towards healthier beverages and towards more premium products. In addition, certain segments of the consumer base are shifting towards convenience. This provides us with a big opportunity to create a large market with our products at different price points and different 'good for you' beverage offerings. We have launched various innovative products and there is a pipeline of planned products to continually capture and satisfy the requirements of the consumers.

GROWING NON-BLACK TEA CATEGORIES

We see good growth from non-black categories in the coming years. Different markets are at different stages of maturity. While in Canada the non-everyday black tea category is dominant, in India non-black tea category is very small. We are constantly innovating our product portfolio to provide various delicious products in the markets where we are present, suited to the requirements of the consumers and the different categories prevalent in the market. In the UK, we are slowly changing our product profile over a period to be present in most of the non-black tea categories that are available in the UK.

WE CONTINUE TO COMMIT RESOURCES TO OUR R&D PIPELINE TO LAUNCH NEW PRODUCTS WITH A FOCUS ON THE EMERGING THEMES SUCH AS HEALTH & WELLNESS, PREMIUMISATION, CONVENIENCE AND EXPANSION OF OUR NON-BLACK TEA CATEGORY.

DIGITAL PLAY

Increased use of technology is changing the way brands are communicating with their consumers. However, online retail is still a vastly underutilised opportunity for the beverages industry and there is vast opportunity for this to expand rapidly. To capture this, we are constantly investing in digital and social media for delivering personalised experiences.

INNOVATION

To aggressively capture the emerging growth trends in the various markets in which we are present, we have stepped up our innovation agenda. We continue to commit resources to our R&D pipeline to launch new products with a focus on the emerging themes i.e. health & wellness, premiumisation, convenience and expansion of our non-black tea category. To this end, various new innovative products have been launched across markets and we intend to delight our consumers further through a string of new innovative products going forward. In addition, we also realise that innovative branding exercises that build consumer loyalty are replacing traditional marketing channels. We are constantly innovating to take a customer-centric approach to delivering services and meet preference patterns. Attracting and engaging newer consumer groups while retaining older audiences is the key differentiator that we are working towards.

WHITE SPACE AND CATEGORY EXPANSION

We are in a constant stage of evolution and on the lookout for opportunities to grow and expand the category. We have, to this effect, expanded our business in the RTD category in India and Canada and have entered the squash market in the UK. Additionally, we are trying various new formats to meet consumer requirement, for e.g. Tata Cha pilot stores in Bengaluru.

Our Commitment to the Present and the Future

We are dedicated to having a positive impact on all our stakeholders.

To be able to do this, we have identified five core pillars that are integrated with our organisational strategy. These include sustainable sourcing, addressing climate change, managing water resources, minimising and managing waste, empowering our communities.

SUSTAINABILITY & CSR POLICY

The Natural Beverages Policy of TGB is the apex Sustainability Policy that defines the aspiration to be the consumer's first choice in sustainable beverage production and consumption. The sustainability pillars of the Company are Sustainable Sourcing, Climate Change, Water Management, Waste Management and Community Development.



TATA SUSTAINABILITY MONTH

The theme for Tata Sustainability Month 2017 was Mainstreaming Sustainability. Our MD & CEO, Ajoy Misra, was one of the speakers at the 40th Anniversary of Foreign Trade Association (FTA) in Brussels in June 2017. He also spoke at the World Conference on Environmental Management organised by the Institute of Directors in July 2017. Our Executive Director & Group CFO, L. Krishnakumar, and our Global CHRO, K. S. Srinivasan, were speakers at the Tata group programmes in Mumbai and Bengaluru, respectively, to celebrate Tata Sustainability Month in June 2017.

TATA VOLUNTEERING WEEK (TVW)

The ninth edition of TVW was launched by Group Chairman N. Chandrasekaran with a message encouraging Tata employees to contribute towards volunteering activities of their interest. The leadership team at TGB ensured that this vision was deployed across the organisation.

SUSTAINABLE SOURCING Rainforest Alliance Certification

The Company uses 100% sustainably sourced Rain Forest Alliance certified tea for the Tetley brand in EMEA and CAA. This was a commitment made by TGB publicly and the leadership has ensured that we fulfilled this commitment.

Trustea

The Company is co-funding Trustea – a tea programme that aims to sustainably transform the tea industry in India. By December 2017, it had certified over 530 million kgs of tea reaching out to over 400,000 workers. Today Trustea is one of the world's largest sustainable agriculture certifications representing 41% of Indian tea production and over 50% of teas sold in the domestic market.

530 million kgs
of tea reaching out to over
400,000 workers

Project S-PPF

TGB was awarded at Tata Innovista 2016 for Project Sustainable Plant Protection Formulation (S-PPF), a collaboration between six Tata and associate plantation companies - TGB, Tata Chemicals, Rallis, Amalgamated Plantations, KDHP and Tata Coffee - to develop a portfolio of bio-pesticides and package of practices. The bio-pesticide NA-01 is based on the principles of 'Vriksha Ayurveda' and has undergone extensive multi-locational trials. It has demonstrated bio-efficacy comparable to chemical pesticides for Red Spider Mites, without the accompanying toxic effects.



SUSTAINABILITY IN MANUFACTURING

Renewable Energy

The Eaglescliffe factory takes 39% of its electricity requirement from a 4.6MWp solar farm at a nearby location. TGB has also installed solar photovoltaic plants at Himalayan factory in Dhaula Kuan and Sampla Packeting Centre in India. These account for about 25% of the energy used in those factories.

Project Jalodari

TGB leadership supports the right 'to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic uses' for everyone. The project has established rain water harvesting structures in all 11 packeting centres in India, and of the 70,000 sq m of roof top area, 62,500 sq m (89%) has been connected for water recharge.

Waste Management

All packeting centres globally have focussed on zero waste-to-landfill target, and less than 10% of TGB wastes go to landfills, mostly due to techno-commercial feasibility.

WOMEN EMPOWERMENT

UNICEF – ETP Project In Assam

TGB is co-funding a program by UNICEF (a United Nations Agency) and Ethical Tea Partnership (ETP) to improve the lives of Assam's tea communities by protecting their rights to survival, development, participation and protection. The programme has reached over 33,000 adolescent girls and 30,000 community members till December 2017. Phase II of the project will expand to impact 300,000 beneficiaries, including pregnant women, lactating mothers, children and adolescents. Tata Trust has agreed to partner in this project for the next phase.

EDUCATION & SKILLS DEVELOPMENT

Tata Strive

TGB, Starbucks Corporation, Starbucks Foundation and Tata Sons are collaborating on a charitable skills development programme to provide high-quality skilling, for 3,000 youth in the QSR industry in India, with an ambitious goal of 50% of them being women.

Aranya Naturals & DARE School

Aranya Naturals, a welfare centre for the differently-abled in Munnar, supported by TGB, was recognised for its outstanding contribution to India's craft sector at the first International Craft Awards, and received the award from Maneka Gandhi, Union Minister for Women and Child Development, Govt. of India. Aranya Natural and Rouka collections were showcased at Lakme Fashion Week 2017 through the Shibori story. DARE School has been ranked 10th best special needs school in India by Education World India School Ranking.

Middlesbrough Football Club Foundation

Tetley is currently working with Middlesbrough Football Club Foundation on an initiative that helps disadvantaged local children, aged between 13 and 14 years old, gain an understanding of the various roles that exist in the workplace. The initiative is split between the Tetley factory in Eaglescliffe and Middlesbrough Football Club, which provides the children exposure in experiencing different environments. The children are learning skills such as communication and professional behaviours and understanding the application of principles such as Mathematics, English, Physics and Science in the industrial workplace.

Chernobyl Children's Lifeline Charity

TGB has hosted children from areas affected by the Chernobyl disaster of 1986 for the past three years. Different children are able to visit the local area every year through the work carried out by the Chernobyl Children's Lifeline charity.



AFFORDABLE HEALTHCARE

General Hospital (Munnar) and RHRC Chubwa (Assam)

The Company provides affordable healthcare to 100,000 community members last year through General Hospital, Munnar (Kerala) and RHRC Chubwa (Assam). TGB is contributing towards the operational expenditure of the Kolkata centre of St. Jude's India Child Care Centre that provides needy children under treatment for cancer with a clean, safe, hygienic place to stay, nutritional support, transportation to hospital for treatment, as well as recreation, education and counselling.

Canadian Cancer Society

Tetley is proud to support the Canadian Cancer Society. Every year, a new 'pink pack' design is selected by Tetley fans which have contributed over \$500,000 (CAD) to the breast cancer cause since 2001.

AFFIRMATIVE ACTION

TGB leads the affirmative action programme for the tea tribes in Assam and the tea communities in Munnar through various initiatives. Additionally, it supports Unnati, a training centre in Bengaluru that helps the underprivileged youth to secure stable employment. We also support Yuva Global Foundation through infrastructure upgradation, provision of school kits and school uniforms, etc.



100,000
community members provided affordable healthcare through General Hospital, Munnar (Kerala) and RHRC Chubwa (Assam)

Governance Framework

We leverage a networked organisation to be more agile

Global Structure & Centre of Excellence



The entity level management and decision-making are with the respective Board of Directors

Board of Directors

**Standing L to R**

Mr. L. Krishnakumar, Mr. Harish Bhat, Mr. Ajoy Misra, Mr. Siraj Chaudhry, Mr. S. Santhanakrishnan

Seated L to R

Mr. V. Leeladhar, Mrs. Mallika Srinivasan, Mr. N. Chandrasekaran, Mrs. Ranjana Kumar, Mrs. Ireena Vittal

1. Mr. N. Chandrasekaran CHAIRMAN

Mr. N. Chandrasekaran is the Chairman of the board of Tata Sons, the holding company and promoter of over 100 Tata operating companies with aggregate annual revenues of more than US\$ 100 billion. He 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, Indian Hotels and Tata Consultancy Services (TCS) — of which he was chief executive from 2009-17. His appointment as chairman followed a 30-year business career at TCS, which he joined from university. Mr. Chandrasekaran rose through the ranks at TCS to become CEO and managing director of the leading global IT solutions 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. TCS has also been placed among the 'Big 4' most valuable IT services brands worldwide, ranked as one of the World's Most Innovative Companies by Forbes and recognised as a Global Top Employer by the Top Employers Institute across 24 countries. He was also appointed as a Director on the Board of the Reserve Bank of India (RBI), in 2016. He is an active member of India's bilateral business forums and has served as the Chairman of National Association of Software and Services Companies (NASSCOM).

2. Mr. Harish Bhat NON-EXECUTIVE DIRECTOR

Mr. Harish Bhat is Brand Custodian, Tata Sons. He joined the Tata Group in 1987, as an officer in the Tata Administrative Service. He is Chairman of Tata Coffee Limited and also a Director on the Boards of several other Tata Companies, including Titan Company Ltd., Trent Ltd., Tata Starbucks Pvt. Ltd., Infiniti Retail Ltd., Tata Unistore Ltd. and Tata AIA Life Insurance Company Limited. During his career of over 30 years with the Tata Group, Mr. Bhat has served in several senior roles. These include stints as Managing Director of Tata Global Beverages Ltd., Chief Operating Officer of the Watches and Jewellery businesses of Titan Company, and also in the telecom business of the Group. He has played a key role in several strategic moves over the past two decades, including the launch and nurturing of many iconic brands of the Tata Group, the successful turnaround of the jewellery business, as well as the acquisition of Tetley.

3. Mrs. Mallika Srinivasan INDEPENDENT DIRECTOR

Mrs. Mallika Srinivasan is the Chairman & Chief Executive Officer of Tractors and Farm Equipment Limited, a flagship company of the Amalgamations Group. A thought leader and strategist, recognised for her commitment to excellence and contribution to Indian Industry, she has been at the helm of affairs of industry bodies and trade associations such as Tractor Manufacturers Association, Madras Management Association, Madras Chamber of Commerce & Industry and the Southern Regional Council of CII. She is also a Director of five other Indian companies. She is a recipient of several business awards and has also been recognised by Business Today for seven consecutive years as one of the 25 most powerful women in Indian business. She was awarded the Padma Shri for her contributions to trade and Industry by the President of India in 2014.

4. Mr. V. Leeladhar INDEPENDENT DIRECTOR

Mr. V. Leeladhar has long experience in the banking industry having served as the Executive Director of the Bank of Maharashtra, Chairman and Managing Director of Vijaya Bank and Chairman and Managing Director of Union Bank of India. He also served as the Deputy Governor of the Reserve Bank of India for over four years. He was also a member of the Securities & Exchange Board of India for about three years. His expertise is in the area of banking and finance. He is also on the Boards of Tata Coffee Limited, Tata Cleantech Capital Limited, Airtel Payments Bank Limited and Axis Mutual Fund Trustee Limited.

5. Mrs. Ranjana Kumar INDEPENDENT DIRECTOR

Mrs. Ranjana Kumar retired as Vigilance Commissioner in Central Vigilance Commission, Government of India. She had held very significant positions in her career including that as the Chairperson & Managing Director of Indian Bank, Chairperson of National Bank for Agriculture and Rural Development (NABARD), Executive Director, holding concurrent charge as Chairman and Managing Director of Canara Bank and CEO of the US operations of the Bank of India based in New York. She regularly addresses managements of a cross section of public sector undertakings on various aspects concerning Management, Leadership, Human Resource Management etc. She is on the Board of Britannia Industries Limited, Rane Brake Lining Limited, Vyome Biosciences Private Limited, Rainbow Children's Medicare Private Limited and International Paper APPM Limited.

6. Mr. S. Santhanakrishnan NON-EXECUTIVE NON-INDEPENDENT

Mr. S. Santhanakrishnan is a fellow member of the Institute of Chartered Accountants of India (ICAI) and a Managing Partner of PKF Sridhar & Santhanam LLP, Chartered Accountants. He was a member in the Central Council of ICAI for fifteen years upto 2015 and has served in various committees of the Institute. He has specialised knowledge in mergers and acquisitions, valuations, corporate laws and technology. He brings to the Board of TGBL, his 4 decades of rich experience in Finance, Accounts and international accounting standards, Strategy & Planning, Corporate Laws. He is also actively involved in numerous industry oriented activities with various Government Industry bodies. His Board membership includes Boards of Tata companies, IDBI Capital Markets & Securities Ltd., ICICI Home Finance Co. Ltd. and others.

7. Mrs. Ireena Vittal INDEPENDENT DIRECTOR

Mrs. Ireena Vittal, a former partner with McKinsey & Co., is a recognised thought partner to consumer-facing companies looking to build large-scale profitable businesses in emerging markets. She has also served government and public institutions to design and implement solutions core to India's development, such as inclusive urban development and sustainable rural growth. She was a founding member of the economic-development practice and the global emerging-markets practice at McKinsey & Co. After 25 years in the corporate world, she is currently working in the urban and agriculture space and is also an Independent Director on the board of select Indian companies such as Titan Company, Indian Hotels, Godrej Consumer, Wipro and Cipla. Prior to joining McKinsey, Mrs. Vittal worked with Nestle and MaxTouch (now Vodafone).

8. Mr. Siraj Chaudhry INDEPENDENT DIRECTOR

Mr. Siraj Chaudhry is Chairman of Cargill India. His tenure at Cargill spans nearly 24 years out of a career of 30 years in Agriculture and Food, and includes handling the leadership role in India, as well as a global commodity trading role in Geneva. Under his leadership since 2007, Cargill India has successfully built both consumer FMCG businesses in India, and Institutional businesses, backed by world-class manufacturing facilities, robust sales & distribution network, and an enviable brand portfolio. Mr. Chaudhry is on the Board of Tata Coffee Limited as an Independent Director. He is presently President of the Food Industry Skill Council under the NSDC. He chairs the Agriculture and Food Committee of USIBC in India and the Agriculture and Food Committee at American Chambers of Commerce. He has been actively engaged with World Economic Forum on their Agriculture agenda in India. He is a thought leader in the space of Agriculture and Food and is consulted by central and state governments for his views in these fields.

9. Mr. Ajoy Misra MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

In a career spanning 37 years, 30 of which with the Taj Group of Hotels, Mr. Misra has worked in various departments of Taj Hotels from Sales and Marketing to Operations. He joined the Taj in 1980 in the Corporate Sales and Marketing Department through the Tata Administrative Services. He was appointed as Executive Director and Deputy CEO of Tata Global Beverages and subsequently has been elevated as the Managing Director and CEO of the Company with effect from 1st April, 2014. He is on the Board of Directors of various TGB Group Companies.

10. Mr. L. Krishnakumar EXECUTIVE DIRECTOR & GROUP CFO

Mr. L. Krishnakumar started his career with A. F. Ferguson and Co., where he worked with them for five years as a Senior Consultant with their management consultancy division. He subsequently worked with Larsen and Toubro Limited, a diversified conglomerate, in a variety of areas and was lastly in their corporate office as General Manager, Finance. He joined the Tata Group in 2000 in the hotels business as its Vice President Finance. He took over the head of finance function of Tata Tea in India in 2004 and has handled different roles in the Company. He is currently the Executive Director and Group CFO. He supervises the Finance, Governance and IT functions. He also oversees the Global Buying and Blending and Supply Chain functions. He is a director on the board of Tata Coffee Limited, NourishCo Beverages Limited and several of the Company's overseas subsidiaries.

Executive Office



Mr. Ajoy Misra
MANAGING DIRECTOR & CEO

In a career spanning 37 years, 30 of which were with the Taj Group of Hotels, Ajoy Misra has worked in various departments of Taj Hotels from Sales and Marketing to Operations. He joined the Taj in 1980 in the Corporate Sales and Marketing Department through the Tata Administrative Services. He was appointed as Executive Director and Deputy CEO of Tata Global Beverages and subsequently has been elevated as the Managing Director and CEO of the Company with effect from 1st April, 2014. He is on the Board of Directors of various TGB Group Companies.



Mr. L. Krishnakumar
EXECUTIVE DIRECTOR & GROUP
CHIEF FINANCIAL OFFICER

Mr. L. Krishnakumar started his career with A. F. Ferguson and Co. and subsequently worked with Larsen and Toubro Limited. He joined the Tata Group in 2000 in the hotels business and thereafter took over the head of finance function of Tata Tea in India in 2004. He is currently the Executive Director and Group CFO. He supervises the Finance, Governance and IT functions. He also oversees the Global Buying and Blending and Supply Chain functions. He is a Director on the Boards of Tata Coffee Limited, NourishCo Beverages Limited and several of the Company's overseas subsidiaries.



Mr. Adil Ahmad
GLOBAL CHIEF MARKETING OFFICER

Mr. Adil Ahmad joined TGB in 2015 as Chief Marketing Officer. As the brand custodian, he aligns our efforts and drives synergies across markets to develop a strong portfolio of global brands by focusing on overall health, profitability and premiumisation of brands. He is also responsible for innovation and developing new growth opportunities for our global brands and businesses across regions. Prior to this, Mr. Ahmad spent 20 years with Reckitt Benckiser, where he held leadership positions in both strategic and operational roles across the UK, India, Middle East and East Asia. He is a graduate from St. Stephens College, Delhi and holds an MBA from Case Western University, Cleveland, Ohio, USA.



Mr. K. S. Srinivasan
GLOBAL CHIEF
HUMAN RESOURCES OFFICER

Mr. K. S. Srinivasan has been with the Tata Group for almost 30 years. He has 35 years of global experience in HR. Prior to joining TGB, Mr. Srinivasan headed the HR function, including Learning & Development, for the Americas and Europe for the Taj Group of Hotels based out of New York. Prior to that, he worked as Vice President – Corporate HR in India for Taj Group. In his current role, he also oversees the Global Sustainability, Global Communications and Business Excellence functions in the Company. Mr. Srinivasan has post graduate diploma in HR. He also holds a bachelor of Law (LLB) degree and has completed the Advanced Management Program from Harvard University.



Mr. Sushant Dash
REGIONAL PRESIDENT, INDIA

Mr. Sushant Dash has successfully handled various strategic and operational roles for the Company. Some of his previous roles include Marketing Head for India, Team Leader of a Venture Team based in the UK, and Senior Director – Marketing and Business Development – for Tata Starbucks. He has also worked for ORG Marg in various capacities in Consumer and Market Research. He was the Global Brand Director of TGB, prior to his appointment as the Regional President.



Mr. Stephen Rice
REGIONAL PRESIDENT, CANADA,
AMERICA AND AUSTRALIA (CAA)

Mr. Stephen Rice is the Regional President for Canada, America and Australia. Prior to joining TGB, he worked for Coca-Cola, first as Financial Analyst and then as Product Manager. He then joined Cadbury Beverages, Canada, as Product Manager, moving up as Business Manager for a number of brands within Cadbury, including allied brands — Welch's and Motts — and was then appointed as District Sales Manager. He joined Tetley in 1999 as Marketing Manager and grew to become Vice President, Marketing, in 2004. He became Regional President for the CAA region in 2010. Mr. Rice holds an Honours B.Com degree, majoring in Marketing.



Mr. Nigel Holland
REGIONAL PRESIDENT, EUROPE,
MIDDLE EAST AND AFRICA (EMEA)

Mr. Nigel Holland joined the Management team in 2011 and is responsible for the regions of Europe, Middle East and Africa. He is also the Executive Director and Chairman of Joekels Tea Packers Limited, South Africa, as well as the President of the UK Tea & Infusions Association (UKTIA). With a degree and MBA in Economics, Mr. Holland joined the Tetley Group in 1998 as Marketing Controller, having previously worked in various consumer marketing positions for a number of leading FMCG brands, including Scottish & Newcastle Breweries, Kraft Jacobs Suchard, and Boots Healthcare International. A year later, he became the Marketing Director. In 2002, he was appointed as the Commercial Director for the UK business, which later extended to the regions of Western Europe and Australia. In 2008, Mr. Holland was appointed as Regional President for the UK and Africa, which was subsequently expanded to cover the Europe, Middle East and Africa region.



Mr. Vikram Grover
PRESIDENT, WATER VERTICAL

Mr. Vikram Grover heads TGB's water business, and is responsible for product and market development of functional waters and building a global footprint for the water business. He also has overall responsibility for the Company's tea business in Bangladesh. Mr. Vikram joined TGB as Marketing Head for South Asia in 2010 and has played a key role in achieving several milestones for the Company's branded tea business in India. Prior to this, he has worked with Unilever, holding significant roles such as Global Strategy and Archetypes Director for Beverages and Country Head for Beverages in India. Mr. Vikram has an MBA in Marketing from the Indian Institute of Management, Kolkata, and is an engineering graduate from the Punjab Engineering College, Chandigarh.



Mr. Sanjiv Sarin
MANAGING DIRECTOR & CEO,
TATA COFFEE LIMITED

With over 40 years' experience, Mr. Sanjiv Sarin presently heads Tata Coffee Limited as Managing Director & CEO. Previously, he was Regional President - South Asia for TGB for four years during which he significantly strengthened the Company's position in the Indian branded tea market. Prior to his stint at TGB, he held the position of Executive Director - Business Development at Tata Coffee Limited. He has global experience with leading international organizations, including 16 years at Cadbury Schweppes in the Philippines, Egypt, India and the U.K, his last assignment being Country Director – Cadbury Philippines. Mr. Sarin graduated from Asian Institute of Management, Manila, Philippines, with a distinction and has a Masters in Economics from Bombay University, where he graduated with a gold medal.

Annual General Meeting 2017





10-Year Financial Highlights

Rs. in Crores

	Ind AS			Previous GAAP							
	2017-18	2016-17	2015-16	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
STANDALONE FINANCIAL HIGHLIGHTS											
Revenue from Operations	3,217	3,064	2,987	3,084	2,885	2,683	2,326	2,035	1,811	1,715	1,379
EBITDA	501	363	359	342	317	284	239	232	147	191	153
Operating Profits (EBIT)	474	339	336	319	297	268	222	220	135	179	142
Operating Profits Margin	14.7%	11.1%	11.3%	10.4%	10.3%	10.0%	9.5%	10.8%	7.4%	10.5%	10.4%
Profit before Tax	723	386	317	661	349	585	321	370	230	495	229
Profit after Tax	534	276	2,26\$	564	289	447	259	303	181	391	159
Dividend payout @	170	168	164	164	162	147	154	154	142	143	125
Shareholders' Funds	4,213	3,785	3,437	2,896	2,502	2,573	2,318	2,210	2,056	2,078	1,799
Capital Employed	4,298	3,817	3,872	3,274	2,979	3,030	2,827	2,577	2,561	2,578	2,554
Contribution to Exchequer	251	109	172	172	118	141	96	87	72	120	80
No. of Employees	2,565	2,555	2,552	2,552	2,549	2,466	2,489	2,218	2,373	2,419	2,422
Book value per Share (Rs.) *	66.42+	59.62+	54+	45.54+	39.29+	41.26+	37.13+	35.39+	32.90+	332.47	287.43
Earnings per Share (Rs.)	8.47+	4.37+	3.59+	8.93+	4.58+	7.23+	4.18+	4.89+	2.92+	63.3	25.72
Dividend per Share (Rs.)	2.35+	2.25+	2.25+	2.25+	2.25+	2.25+	2.15+	2.15+	2.00+	20.00	17.50
Total Debt to Equity *	0.02	0.01	0.13	0.13	0.19	0.18	0.22	0.17	0.25	0.24	0.42
Return on Capital Employed (%)	11.7%	8.8%	8.5%	10.8%	9.9%	9.1%	8.2%	8.6%	5.2%	7.0%	5.5%
Return on Net Worth (%)	13.4%	7.6%	6.5%	20.9%	11.4%	18.3%	11.4%	14.2%	8.7%	20.2%	8.8%
Market Capitalisation	16,330	9,501	7,652	7,652	9,202	9,279	7,906	6,948	6,045	6,053	3,615
CONSOLIDATED FINANCIAL HIGHLIGHTS											
Revenue from Operations	6,815	6,780	6,637	8,111	7,993	7,738	7,351	6,640	6,003	5,821	4,874
EBITDA	839	791	654	675	775	752	768	623	608	722	646
Operating Profits (EBIT)	723	665	538	532	642	623	663	527	509	619	547
Operating Profits Margin	10.6%	9.8%	8.1%	6.6%	8.0%	8.0%	9.0%	7.9%	8.5%	10.6%	11.2%
Profit before Tax	753	662	170	545	500	707	637	574	494	641	1,256
Net Profit after Minority Interest	496	389	(6)\$	326	248	481	373	356	254	390	701
Shareholders' Funds	7,032	6,266	6,247	5,719	5,493	5,849	4,810	4,566	3,957	3,723	3,653
Capital Employed	9,108	7,984	8,463	7,782	7,693	8,211	7,013	6,547	6,107	6,577	7,106
Book value per Share (Rs.) *	111.07+	98.93+	98.64+	89.96+	86.38+	93.90+	77.08+	73.15+	63.37+	596.35	580.94
Earnings per Share (Rs.)	7.85+	6.17+	(0.09)+	5.16+	3.93+	7.77+	6.03+	5.76+	4.11+	63.11	113.28
Total Debt to Equity *	0.13	0.11	0.19	0.18	0.21	0.21	0.25	0.16	0.21	0.38	0.53
Return on Capital Employed (%)	8.5%	8.1%	6.3%	6.9%	8.1%	8.2%	9.8%	8.3%	8.0%	9.0%	7.7%
Return on Net Worth (%)	7.5%	6.2%	(0.1)%	5.8%	4.4%	9.0%	8.0%	8.4%	6.6%	10.6%	19.8%

@ Includes Tax on Dividend.

^ Includes current maturities of long-term debts.

* Computation excludes Revaluation Reserves.

+ Computation based on revised face value of shares.

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

Notice

Notice is hereby given that the Fifty-Fifth Annual General Meeting of Tata Global Beverages Limited will be held on Thursday, 5th July, 2018 at 10.30 a.m. at the Taj Bengal, 34-B Belvedere Road, Alipore, Kolkata – 700 027, to transact the following businesses:

Ordinary Business

1. Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2018, 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 for the year ended 31st March, 2018, together with the Report of the Auditors thereon.

3. Declaration of Dividend

To declare a dividend on the Equity Shares of the Company for the financial year ended 31st March, 2018.

4. Appointment of Mr. Harish Bhat as Director, liable to retire by rotation

To appoint a Director in place of Mr. Harish Bhat (DIN 00478198), who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business

5. Remuneration of Cost Auditors

To consider and if thought fit to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Shome & Banerjee, Cost Accountants, (Firm Registration Number 000001), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company, for the financial year ending 31st March, 2019, be paid a remuneration of Rs. 3,60,000 plus taxes, as applicable, and reimbursement of actual out-of-pocket expenses incurred by them in connection with the aforesaid audit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take

all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. Appointment of Mr. S. Santhanakrishnan as Independent Director of the Company

To consider and if thought fit to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, appointment of Mr. S. Santhanakrishnan (DIN: 00032049), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment as Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) years with effect from 11th May, 2018 up to 10th May, 2023, be and is hereby approved.”

7. Re-appointment of Mr. L. KrishnaKumar as Executive Director and 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, of the Companies Act, 2013 (the Act), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company do hereby accord their approval for the re-appointment and terms of remuneration of Mr. L. KrishnaKumar (DIN: 00423616) as the Executive Director of the Company for a period of 5 (five) years commencing from 1st April, 2018 to 31st March, 2023, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his re-appointment, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Committee of the Board) to alter and vary the terms and conditions of the said re-appointment 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 (which term shall be deemed to include any Committee of the Board constituted to exercise its powers,

including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

8. Payment of commission to Non-Whole-time Directors

To consider and if thought fit to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 (Act) (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the payment of commission to the Non-Executive Directors of the Company (i.e., Directors other than the Managing Director and/or Whole Time Directors) to be determined by the Board of Directors for each of such Non-Executive Director for each financial year and distributed between such Directors in such a 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 in this regard, of the net profits of the Company to be calculated in accordance with the provisions of Section 198 of the Act.

RESOLVED FURTHER THAT the above remuneration shall be in addition to the fee payable to the director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.

RESOLVED ALSO THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution”.

9. Issue of Non-Convertible Debentures on private placement basis

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of the Special Resolution passed by the members at the Annual General Meeting held on 18th August, 2017 and pursuant to the provisions of Sections 23, 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, and pursuant to Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and other

applicable Regulations / Guidelines and subject to the relevant provisions of the Memorandum and Articles of Association of the Company, approval of the members of the Company is hereby accorded to the Board of Directors of the Company, (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board) to offer / invite for subscription for Secured / Unsecured Redeemable Non-Convertible Debentures (“NCDs”) including but not limited to bonds and / or other debt securities (hereinafter collectively referred as “Securities”), on private placement basis, listed or unlisted, in one or more tranches, during the period of one year from the date of passing of this special resolution, to eligible person(s), upto an amount not exceeding Rs. 450 Crores (Rupees Four Hundred and Fifty Crores), within the overall borrowing limits of the Company as approved by the members of the Company from time to time.

RESOLVED FURTHER THAT the Board is hereby authorised to determine the terms of the issue including providing security over any of the Company’s assets, the class of investors to whom such Securities are to be issued, timing of the issue, total amount to be raised by issuance of Securities, the number of Securities, tranches, issue price, tenor, interest rate, premium / discount, redemption terms, appointment of trustee(s), security, listing etc., and to do all such acts, deeds, filings, matters and execute all such deeds, documents, instruments and writings as may be required, on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard, as the Board may, in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any director(s) and / or officer(s) of the Company, as it may in its absolute discretion deem necessary.”

Notes:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of Item Nos. 5 to 9 are annexed hereto. Information under Regulations 26 (4) and 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as required under the Secretarial Standard 2 on General Meeting issued by the Institute of Company Secretaries of India, relating to Directors proposed to be appointed / re-appointed is provided in the Annexure to this Notice.
2. **A Member of the Company entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member of the Company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company’s Registered Office, duly completed and signed, not less than forty-eight hours before the commencement of the AGM. Proxies submitted on behalf

of limited companies, societies etc., must be supported by appropriate resolutions/ authority, as applicable issued on behalf of the nominating organisation.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. Corporate members intending to send their authorised representative to attend the Annual General Meeting (AGM) are requested to send a certified copy of the board resolution authorising their representative to attend and vote on their behalf at the AGM.
4. The Register of Members and Transfer Books of the Company will be closed from **Friday, 22nd June, 2018 to Thursday, 5th July, 2018**, both days inclusive.
5. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
6. If the Dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made on or after Monday, 9th July, 2018 as under:
 - i) To all the beneficial owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the beginning of the business hours on Friday, 22nd June, 2018.
 - ii) To all the members in respect of shares held in physical form after giving effect to all valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Thursday, 21st June, 2018.
7. Shareholders holding shares in physical form are requested to advise any change of address, email address, bank details immediately to the Company's Registrar and Share Transfer Agents, TSR Darashaw Limited (TSRDL). Shareholders holding shares in electronic form must advise their respective depository participants about any change in address, email address and bank details and not to the Company or the Registrars.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN)

by every participant in securities market. Members holding shares in physical form are requested to submit their PAN details to TSRDL.

8. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or TSRDL for assistance in this regard.
9. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or TSRDL, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes thereon.
10. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. For the safety and interest of the shareholders, it is important that bank account details are correctly provided to the depository participants.
11. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per register of members of the Company will be entitled to vote.
12. Shareholders are requested to immediately notify their bank particulars giving the name of the bank and the branch, 9 digits MICR number, 11 digit IFS Code, the nature of account and their Core Banking Solutions account number (CBS A/c No.) to the Company's Registrar and Share Transfer Agent, TSR Darashaw Limited (TSRDL), in respect of shares held in physical form and to their Depository Participant in case of shares held in electronic form.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.tataglobalbeverages.com (under 'Investors Section'). Members holding shares in physical form may submit the same to TSRDL. Members holding shares in electronic form may submit the same to their respective depository participant.
14. 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 TSRDL in case the shares are held by them in physical form.

15. Transfer of Unclaimed / Unpaid dividend to the Investor Education and Protection Fund (IEPF):

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the IEPF, maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed or unpaid in respect of dividends declared upto the financial year ended 31st March, 2010 have been transferred to the IEPF. The details of the unclaimed dividends so transferred are available on the Company's website, www.tataglobalbeverages.com and in the website of the Ministry of Corporate Affairs at www.mca.gov.in.

It may be noted that unclaimed dividend for the financial year 2010-11 declared on 30th August, 2011 is due to be transferred to the IEPF by 4th October, 2018. The same can however be claimed by the Members by 20th September, 2018.

Members who have not encashed the dividend warrant(s) from the financial year ended 31st March, 2011 onwards may forward their claims to the Company's Registrar and Share Transfer Agents before they are due to be transferred to the IEPF, details of which are given in Para 11 of the Corporate Governance Report.

In accordance with Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the demat Account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended 31st March, 2009 and 2010 and remained unpaid or unclaimed were due to be transferred to the IEPF. The Company had sent notices to all such members in this regard and published a newspaper advertisement and thereafter transferred the shares to the IEPF during financial year 2017-18. The details of such shares transferred have been uploaded in the Company's website www.tataglobalbeverages.com.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in Form IEPF -5 (available on iepf.gov.in) along with requisite fees as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

16. In accordance with the Companies Act, 2013 read with the relevant Rules, the Notice of the AGM along with the Annual Report for financial year 2017-18 are sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

17. We request shareholders to update their email address with their Depository Participants/TSRDL to enable the Company to send communications electronically.

18. Shareholders may note that the bank details registered against their account in physical form will not be applicable to their electronic account and vice versa. The Company or its Registrars cannot act on any request received directly from the shareholders holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the depository participant of the shareholders.

It is in the interest of shareholders to register their bank details against their account and avail of facility being extended by the Company of receiving the credit of dividend directly to their bank account through electronic means. The facility is available at all bank branches who have registered themselves as participating banks with National Payment Corporation of India and have joined the Core Banking System.

Shareholders may please note that under instructions from the Securities and Exchange Board of India, furnishing of bank particulars by the shareholders has become mandatory.

19. The route map showing directions to reach the venue of the Fifty-Fifth AGM is annexed.

20. Process and manner of voting through electronic means

In compliance with the provisions of Section 108 of the Act, and Rules framed thereunder, as amended from time to time, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide members holding shares either in physical form or in dematerialised form, the facility to exercise their right to vote on the resolutions set forth in the Notice by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL). The members may cast their votes using an electronic voting system from a place other than the venue of the AGM (remote e-voting).

The instructions for e-voting are as under:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

➤ **Step 1 – Details are mentioned below:**

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 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. 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.
5. 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 EVEN is 101456 and folio number is 001*** then user ID is 101456001***

6. Your password details 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, your 'initial password' is communicated to you on your postal address.
7. 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.

8. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
9. Now, you will have to click on “Login” button.
10. After you click on the “Login” button, Home page of e-Voting will open.

➤ **Step 2 - Details are given below:**

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company which is 108389.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- i. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by email to asimsecy@gmail.com with a copy marked to evoting.nsd.com.

- ii. 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.nsd.com to reset the password.
- iii. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the download section of www.evoting.nsd.com or call on toll free No.: 1800-222-990 or send a request at evoting@nsdl.co.in.

Other Instructions

- i. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, which is Thursday, 28th June, 2018. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- ii. Any person who is not a member as on the cut-off date should treat this Notice for information only.
- iii. The e-voting period commences on Monday, 2nd July, 2018 at 9.00 a.m. and ends on Wednesday, 4th July, 2018 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, i.e. 28th June, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast vote again.
- iv. Members who are registered with NSDL for e-voting can use their existing user Id and password for casting their votes.
- v. The facility to vote at the AGM will be provided by any electronic means/ Poll paper to the shareholders who will be attending the AGM and have not cast their vote through remote e-voting.

- vi. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - vii. A Member can vote either by remote e-voting or at the AGM. In case a Member votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the AGM shall be considered invalid.
 - viii. Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary (Membership No. FCS 2303 & CP No. 880) has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting through Poll at the AGM in a fair and transparent manner.
 - ix. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who will countersign the same.
 - x. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login id and password by sending a request to 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 forget your password, you can reset your password by using "forget User details/Password" option available on www.evoting.nsdl.com
 - xi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tataglobalbeverages.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and Calcutta Stock Exchange (CSE), where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.
21. All documents referred to in the accompanying Notice of the AGM and the Explanatory Statement

shall be open for inspection without any fee at the Registered Office of the Company during normal business hours (10:00 am to 5:00 pm) on all working days, except Saturday, up to and including the date of the AGM of the Company.

By Order of the Board

V. Madan

Vice President & Company Secretary

(Membership No: ACS 5048)

Registered Office:

1, Bishop Lefroy Road,

Kolkata – 700 020

CIN - L15491WB1962PLC031425

E-mail id: investor.relations@tgb.com

Website address: www.tataglobalbeverages.com

Mumbai

11th May, 2018

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act")

As required by Section 102 of the Act, , the following explanatory statement sets out all material facts relating to the businesses mentioned under Item Nos. 5 to 9 of the accompanying Notice.

Item No. 5

Remuneration of Cost Auditors

The Company is required, under 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, to have the audit of its cost records conducted by a cost accountant in practice.

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Shome & Banerjee, Cost Accountants, (Firm Registration Number 000001), as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending 31st March, 2019.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors, for the financial year ending 31st March, 2019.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, in the resolution set out at Item No. 5 of the Notice.

Item No. 6

Appointment of Mr. S. Santhanakrishnan as an Independent Director

Mr. S. Santhanakrishnan (DIN 00032049) is a Non-Executive Director on the Board of the Company since 28th May, 2013 and had been categorised as Non-Executive (Non-Independent) Director since that date. He was last re-appointed by the members at the AGM held on 18th August, 2017.

Mr. S. Santhanakrishnan, vide letter dated 11th May, 2018 has submitted a declaration that he meets the criteria for independence, as provided in Section 149 (6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The said declaration and the matter regarding appointment of Mr. Santhanakrishnan as Independent Director was placed before the Nomination and Remuneration Committee ("NRC"), which recommended his appointment as an Independent Director for a period of five consecutive years on the Board of the Company commencing from 11th May, 2018 upto 10th May, 2023. The Board at its meeting held on 11th May, 2018, considered the declaration submitted by Mr. Santhanakrishnan and approved his appointment as an Independent Director effective 11th May, 2018.

As per the provisions of the Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and is not liable to retire by rotation.

Mr. S. Santhanakrishnan is a fellow member of the Institute of Chartered Accountants of India (ICAI) and a Managing Partner of PKF Sridhar & Santhanam LLP, Chartered Accountants.

He was a member in the Central Council of the Institute of Chartered Accountants of India for fifteen years upto 2015 and has served in various committees of the Institute. He has specialised knowledge in mergers and acquisitions, valuations, corporate laws and technology. He brings to the Board of the Company, his four decades of rich experience in Finance, Accounts and International Accounting Standards, Strategy & Planning, Corporate Laws.

He is also actively involved in numerous industry oriented activities with various Government Industry bodies. His Board membership includes Boards of Tata companies, IDBI Capital Markets & Securities Ltd., ICICI Home Finance Co. Ltd. and others.

In the opinion of the Board, Mr. Santhanakrishnan fulfills the conditions specified in the Act and the Listing Regulations for appointment as Independent Director and he is independent of the management. Given Mr. Santhanakrishnan's expertise and his contributions to the Board as a Non-Executive (Non-Independent) Director of the Company over the past 4 years, your Board is of the view that Mr. Santhanakrishnan's appointment as Independent Director would be of immense value to the Company.

In compliance with the provisions of Section 149 of the Act read with Schedule IV of the Act, the appointment of Mr. Santhanakrishnan as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Mr. Santhanakrishnan shall be open for inspection by the members at the Registered Office during normal business hours (from 10:00 a.m. till 5:00 p.m.) on any working day (except Saturday) from the date of this Notice till the date of the AGM. The same shall also be made available in the website of the Company at www.tataglobalbeverages.com.

The Board commends the Resolution at Item No. 6 for approval by the members.

Disclosures as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are appended to this Notice. Mr. Santhanakrishnan is not related to any other Director of the Company.

Other than Mr. Santhanakrishnan and his relatives, none of the other Directors, key managerial personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 6 of the accompanying Notice.

Item No. 7

Reappointment of Mr. L. KrishnaKumar as Executive Director and payment of Remuneration

Mr. L. KrishnaKumar was appointed as Executive Director of the Company for the period commencing from 1st April, 2013 to 31st March, 2018. The Board at its meeting held on 21st March, 2018, re-appointed Mr. L. KrishnaKumar as Executive Director of the Company for a period commencing from 1st April, 2018 to 31st March, 2023, subject to approval of the members. This reappointment was made based on the recommendation of the Nomination and Remuneration Committee ("NRC") of the Board.

The Board thereafter at its meeting on 11th May, 2018, based on the recommendation of the NRC, had fixed the terms of remuneration payable to Mr. L. KrishnaKumar, subject to the approval of the members.

Mr. L. KrishnaKumar graduated from Loyola College in Madras and subsequently obtained professional qualifications in Chartered Accountancy, Cost Accountancy and Company Secretarial. He also holds a diploma in systems analysis. He has four decades of experience during which he has held several senior positions in consulting and industry. He joined the Tata Group in 2000 in the hotels business as its Vice President Finance. He took over as the head of finance function of Tata Tea in India in 2004 and has handled different roles in the Company. He is currently the Executive Director and Group CFO of TGB. He supervises the Finance, Governance and IT functions. He also oversees the Global Buying and Blending and Supply Chain functions. He is a director on the board of Tata Coffee Limited, NourishCo Beverages Limited and several of the Company's overseas subsidiaries.

The principal terms and conditions of Mr. L. KrishnaKumar's re-appointment as Executive Director (hereinafter referred as "ED") and the main clauses of the agreement to be executed between the Company and the ED are as follows:

A. Tenure of Re- Appointment:

The re- appointment of ED is for a period of 5 years commencing from 1st April, 2018 to 31st March, 2023.

B. Nature of Duties

The ED 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 and Board of Directors, and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interest of the business of the Company and the business of any one or more of its associated companies and /or subsidiaries , including performing duties as assigned by the Board from time to time, by serving on the Boards of such associated companies/ subsidiaries or any other executive body or a committee of such a company.

C. Remuneration:

So long as the ED performs his duties and conforms to the terms and conditions contained in the Agreement to be executed between the company and the ED ("Agreement"), he 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-** Rs. 6,81,820 per month, up to a maximum of Rs. 10,00,000 per month, with authority to the Board or NRC to fix his basic salary within the said maximum amount, based on the recommendation of the NRC in consonance

with the individual performance and the performance of the Company.

The annual increment which will be effective from 1st April each year will be decided by the Board, based on the recommendation of the NRC. The said annual increment would be limited upto an amount not exceeding 20% of the Basic salary as may be decided by the Board in the above manner.

b. Benefits, Perquisites, Allowances

In addition to the Basic Salary referred to in (a) above, the ED shall be entitled to:

- i) 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 the said accommodation.

OR

House Rent and House Maintenance and Utility Allowances aggregating 85% of the Basic Salary (in case no accommodation is provided by the Company).

- ii) Reimbursement of hospitalisation and major medical expenses, incurred as per rules of the Company (this includes mediclaim insurance premium).
- iii) Car facility, Telecommunication facility (including broadband internet and fax) and Housing loan facility as per the Rules of the Company.
- iv) Other perquisites and allowances given below subject to a maximum of 55% of the Annual Salary, which includes:

a)	Medical Allowance	8.33%
b)	Leave Travel Concession/Allowance	8.33%
c)	Other Allowances	33.34%
		50.00%
d)	Personal Accident Insurance Premium (@ actuals) and Club Membership fees subject to cap of	5.00%
		55.00%

- v) Retirement benefits: Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company.

- vi) The Executive Director shall be entitled to leave in accordance with the Rules of the Company. Annual Leave not availed by the Executive Director is encashable in accordance with the Rules of the Company.

Commission: In addition to Salary, Benefits, Perquisites, Allowances, the ED 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 each financial year, subject to overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the ED 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.

- c. **Incentive Remuneration:** Such incentive remuneration not exceeding 200% of salary to be paid at the discretion of the Board annually based on certain performance criteria and such other parameters as may be considered appropriate from time to time.
- d. An indicative list of factors that may be considered for determining of the extent of commission/incentive remuneration by the Board as recommended by the 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.

D. Minimum remuneration

Notwithstanding anything to the contrary herein contained, wherein in any financial year during the currency of the tenure of the Executive Director, the company has no profits or its profits are inadequate, the company will pay remuneration to the ED by way of Basic Salary, benefits, perquisites and allowances, incentive remuneration and retirement benefits as specified above.

E. 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 term, subject to the terms of such policy in force from time to time.

F. Other terms of Appointment

- a. The ED 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 appointment of the ED 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 to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the ED, subject to such approvals as may be required.
- c. The appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months remuneration in lieu thereof.
- d. The Employment of the ED may be terminated by the Company without notice or payment in lieu of notice:
- i) If the ED is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated 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 the ED of any of the stipulations contained in the Agreement; or
 - iii) In the event the Board expresses its loss of confidence in the ED.
- e. In the event the ED 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 of the ED's employment:
- i) The ED 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 trustees of any trust connected with the Company.

- ii) The ED shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of the subsidiaries or associated 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 the ED, unless specifically provided otherwise.
- h. The ED is 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 appointment of the ED also include clauses pertaining to the adherence of 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, the ED will cease to be the Executive Director, and also cease to be the Director. If at any time, the ED ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Executive Director, and the Agreement shall forthwith terminate. If at any time, the ED ceases to be in the employment of the company for any reason whatsoever, he shall cease to be Director and Executive Director of the Company.
- k. Details of remuneration paid /drawn by Mr. L. KrishnaKumar for the year 2017-18 are given in the Corporate Governance Report, which is part of this Annual Report. Further details of Mr. L. KrishnaKumar have been given in the Annexure to this Notice.

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 his re-appointment. He is not disqualified from being a Director in terms of Section 164 of the Act.

In compliance with the provisions of Sections 196 and 197 and other applicable provisions of the Act, read with Schedule V to the Act, 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. 7 of the Notice for approval by the members.

Other than Mr. L. KrishnaKumar and his relatives, none of the other Directors, key managerial personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 7 of the accompanying Notice.

Item No.8

Payment of commission to Non-Whole-time Directors

At the Annual General Meeting of the Company held on 26th August, 2014, the Members had approved the payment of commission to Non-Executive Directors not exceeding 1 (one) percent per annum of the net profits of the Company, computed in the manner prescribed in Section 198 of the Act for a period of five years commencing from 1st April, 2014. Accordingly, the validity of this resolution would expire on 31st March, 2019.

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors and in appreciation of their contribution and services they have rendered/will be rendering to the Company, it is proposed to continue with the payment of Commission to Non-Executive Directors of the Company for all subsequent financial years commencing from 1st April, 2019. In terms of Section 197 of the Act, a company can make payment of remuneration to Non- Executive Directors, a sum not exceeding 1% of the net profits of the company. The amount to be determined by the Board as remuneration payable to the Non-Executive Directors is distributed amongst all or some of the directors in accordance with the decision that the Board may give in this regard.

The said remuneration to Non-Executive Directors shall be in addition to the sitting fee payable to them and out-of-pocket expenses incurred for attending meetings of the Board and Committees thereof. The resolution set out in Item No. 8 of the Notice is accordingly recommended by the Board for your approval.

Save and except all the Non-Executive Directors of the Company, none of the other Directors/Key managerial personnel of the Company / their relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 8 of the Notice.

Item No. 9

Issue of Non-Convertible Debentures on private placement basis

As per the provisions of Section 42 of the Act, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, a company offering or making an invitation to subscribe to Non-Convertible Debentures ("NCD") on a private placement basis, is required to obtain the prior approval of the Shareholders by way of a Special Resolution, which can be obtained once a year for all the offers and invitations for such NCDs during the year.

The Company at the Annual General Meeting held on 18th August, 2017, had passed a special resolution authorising the Company to issue Non- Convertible debentures on private placement basis for upto Rs. 450 Crores which could be issued within one year from the said date. However as there was no specific requirement to raise funds, the Company did not issue any NCDs pursuant to such approval. The said approval will expire on 17th August, 2018. As the Company anticipates that it may require funds to augment the long-term resources of the Company for its business and as the current approval would expire on 17th August, 2018, approval of the Members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any, of the Act read with the Rules made thereunder, to enable the Company to offer or invite subscriptions for NCDs, including but not limited to bonds and / or other debt securities, on private placement basis, in one or more tranches, during the period of one year from the date of passing of this special resolution, upto an amount not exceeding Rs. 450 Crores, within the overall borrowing limits of the Company, as approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price, listing, redemption terms, security etc. of the NCDs / other debt securities.

The proposed borrowings, along with the existing borrowings of the Company, would not exceed the aggregate outstanding borrowings of the Company approved by the Members from time to time.

The Board commends the Special Resolution at Item No. 9 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, in the Special Resolution set out at Item No. 9 of the Notice.

By Order of the Board

V. Madan

Vice President & Company Secretary

(Membership No: ACS 5048)

Registered Office:

1, Bishop Lefroy Road,

Kolkata – 700 020

CIN - L15491WB1962PLC031425

E-mail id: investor.relations@tgbl.com

Website address: www.tataglobalbeverages.com

Mumbai

11 May, 2018

Details of Directors seeking Appointment / Re-appointment at the Fifty Fifth Annual General Meeting [Pursuant to Regulations 26 and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] and SS-2 – Secretarial Standards on General Meetings

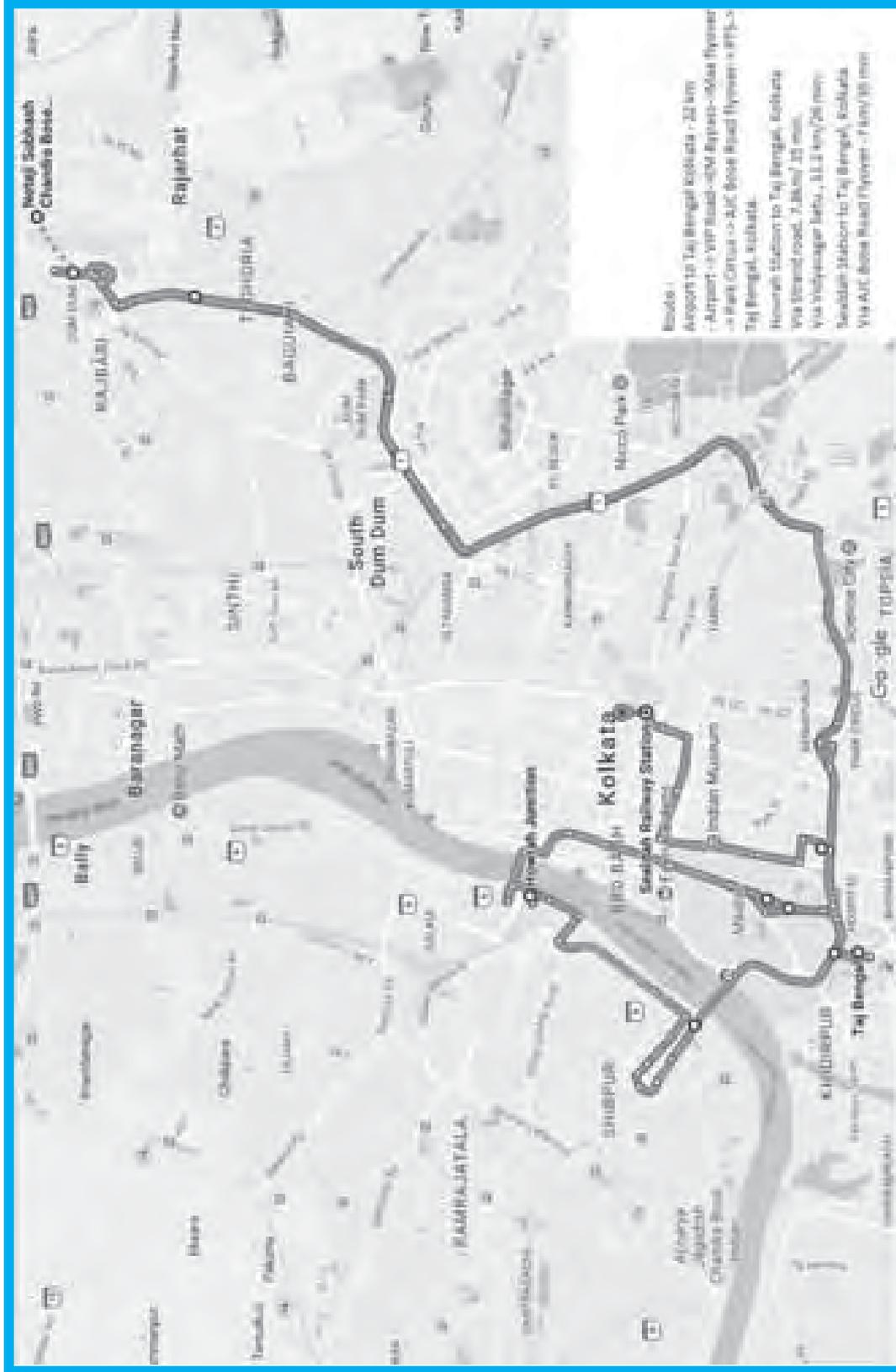
Name of Director	Mr. Harish Bhat*	Mr. S. Santhanakrishnan	Mr. L. KrishnaKumar
Director Identification Number (DIN)	00478198	00032049	00423616
Age	55 years	67 years	59 years
Date of first appointment	1 st April, 2014	28 th May, 2013	1 st April, 2013
Date of Birth	8 th November, 1962	1 st November, 1950	29 th October, 1958
Qualifications	B.E. (Hons) – BITS Pilani, PGDM (IIM Ahmedabad)	B.Sc., B.L., FCA	B.Com, ACA, AICWA, ACS
Expertise in specific functional areas	Wide experience in overall Business management including functional expertise in Sales, Marketing and Corporate management	Wide experience in mergers and acquisitions, valuations, technology, Finance, Accounts and international accounting standards, Strategy & Planning and Corporate Laws.	Wide experience in Finance, Accounts, corporate laws and technology.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	<ul style="list-style-type: none"> • Tata Coffee Limited • Infiniti Retail Limited • Trent Limited • Tata Unistore Limited • Titan Company Limited • Tata AIA Life Insurance Company Limited 	<ul style="list-style-type: none"> • ICICI Home Finance Company Limited • Tata Realty and Infrastructure Limited • Tata Housing Development Company Limited • Tata Coffee Limited • IDBI Capital Market & Securities Limited 	<ul style="list-style-type: none"> • Tata Coffee Limited • NourishCo Beverages Limited
Memberships/Chairmanships of committees of other companies (includes only Audit Committee and Stakeholder Relationship Committee)	<p>Audit Committee</p> <ul style="list-style-type: none"> • Titan Company Limited - Member <p>Stakeholder Relationship Committee</p> <ul style="list-style-type: none"> • Tata Coffee Limited – Member • Titan Company Limited – Member • Trent Limited - Chairman 	<p>Audit Committee</p> <ul style="list-style-type: none"> • Tata Coffee Limited – Chairman • Tata Housing Development Company Limited - Chairman • Tata Realty & Infrastructure Limited - Member • IDBI Capital Market & Securities Limited - Member <p>Stakeholder Relationship Committee</p> <ul style="list-style-type: none"> • Tata Coffee Limited – Chairman • ICICI Home Finance Co. Limited - Member 	Nil
Inter-se relationship with other Directors and Key Managerial Personnel	Nil	Nil	Nil
Number of shares held in the Company	Nil	Nil	Nil

*Mr. Harish Bhat retires by rotation and being eligible offers himself for re-appointment.

For other details such as number of meetings of the Board attended during FY 2017-18 and remuneration drawn in respect of the above Directors, please refer to the Corporate Governance Report which is a part of this Annual Report.

Route Map to the AGM Venue

Venue: Taj Bengal, 34-B Belvedere Road, Alipore, Kolkata – 700 027



Land Mark: Near Alipur Zoological Garden (Calcutta Zoo) and National Library

Board's Report

To the Members of Tata Global Beverages Limited

Your Directors are pleased to submit their fifty fifth report together with the audited financial statements of the Company for the year ended 31st March, 2018.

Financial Results

Rs. in Crores

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
Revenue from Operations	6,815	6,780	3,217	3,064
Profit from Operations before Other Income, Finance Costs, Depreciation and Exceptional items	839	791	501	363
Less : Depreciation	(116)	(126)	(27)	(24)
Add: Other Income (Standalone results include intra-group dividends which are eliminated on consolidation)	94	83	148	96
Less : Finance Costs	(43)	(91)	(14)	(49)
Profit before exceptional items and taxes	774	657	608	386
Exceptional items (net)	(21)	5	115	-
Profit before tax	753	662	723	386
Provision for tax	(186)	(198)	(189)	(110)
Profit after tax	567	464	534	276
Share of net profit/(loss) in Associates and Joint Ventures	(10)	(9)	-	-
Profit for the year	557	455	534	276
Attributable to:				
Owners of the parent	496	390	534	276
Non-Controlling Interest	61	65	-	-
Retained Earnings - Opening Balance	4,396	4,102	1,577	1,406
Add: Profit for the year	496	390	534	276
Add: Transfer from Debenture Redemption Reserve	-	81	-	81
Add: Realised gains on sale of equity shares carried at fair value through OCI	626	-	625	-
Add: Adjustments with Other Equity	61	3	13	(18)
Amount appropriated during the year:				
Dividend including dividend tax paid	(173)	(167)	(169)	(168)
Transfer to General Reserves	(31)	(13)	(28)	-
Retained Earnings - Closing Balance	5,375	4,396	2,552	1,577

State of Company's Affairs

Consolidated Performance

The Consolidated Revenue from operations at Rs. 6,815 Crores grew by 1% during FY 2017-18. However, excluding the impact of sale and restructuring of Group businesses, the increase is 2% in constant currency. Improved performances were recorded mainly in the branded business. Non-branded business had a challenging year mainly due to abnormal and extreme weather conditions. Profit before exceptional items at Rs. 774 Crores was higher by 18% as compared to the previous year despite the adverse non-branded performance, driven by improved operating performance by the branded business, good cost management, restructuring benefits and lower finance costs. Post the impact of exceptional items, tax

and share of profits of joint ventures and associates, the profit for the year 2017-18 at Rs. 557 Crores grew by 22%.

Standalone Performance

The standalone revenue from operations for FY 2017-18 at Rs. 3,217 Crores increased by 5% over the previous year. Revenue increase has been witnessed due to volume growth across all the major brands within our national and regional portfolio. Profit before tax at Rs. 723 Crores reflected a robust growth of 87% over previous year mainly due to improved operating performance, good cost management, non-recurring items, higher investment income including dividend from subsidiaries and profit on sale of our stake held in an associate/subsidiary.

We had a smooth transition into the GST era with the rates on most of our products being in line with the erstwhile regime. Our operation and supply chain models have been restructured wherever necessary to make it efficient and compliant to the GST requirements.

Dividend

Your Directors are pleased to recommend for the approval of the shareholders a higher dividend of Rs. 2.50 per share on the equity share capital of the Company for the year ended 31st March, 2018. The total outgo on account of dividend inclusive of taxes, for FY 2017-18 will be Rs. 190.21 Crores which represents a pay-out of 36% of the Company's standalone profits. On a consolidated basis, the payout represents 38%.

Pursuant to Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the dividend distribution policy duly approved by the Board has been put up on the website of the Company and can be accessed at the link: <http://tataglobalbeverages.com/investors/governance/policies>

Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profits for FY 2017-18 in the profit and loss account. During FY 2017-18, the Company had transferred an amount of Rs. 27.60 Crores to the General Reserves, which was approved for transfer out of the profit of FY 2016-17.

Share Capital

The paid up Equity Share Capital as at 31st March, 2018 was Rs. 63.11 Crores comprising of 63,11,29,729 equity shares of Re. 1 each. During FY 2017-18, your Company has not issued any shares including shares with differential voting rights nor has granted any stock options or sweat equity. As at 31st March, 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

Integrated Report

Your Company has embarked on a journey towards voluntarily adopting the Integrated Reporting framework developed by the International Integrated Reporting Council. This is being implemented in a phased manner.

Review of Subsidiaries, Associates and Joint Venture Companies

Pursuant to Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company and its subsidiaries, associates and joint ventures, prepared in accordance with the relevant Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, form part of this Annual Report. Pursuant to the provisions of the said section, a statement containing the salient

features of the financial statements of the Company's subsidiaries, associates and joint ventures in Form AOC-1 is given in this Annual Report. Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the standalone financial statements, consolidated financial statements and the relevant consolidated financial statements and separate audited financial statements along with other relevant documents, in respect of subsidiaries, are available on the website of the Company, www.tataglobalbeverages.com.

Your Company has adopted a policy for determining material subsidiaries in terms of Regulation 16(1)(c) of the Listing Regulations. The policy as approved may be accessed on the Company's website at the link: <http://tataglobalbeverages.com/investors/governance/policies>

Performance highlights of key operating subsidiaries, associates and joint ventures

Subsidiaries

Tata Global Beverages Group Ltd, UK substantially reflects the financial performance of the Tetley business and a few other international brands. Excluding the impact of acquisition and disinvestment, the minor decline in the consolidated revenue during FY 2017-18 is reflective of a strong sterling with adverse translation impact and higher competitive intensity in some markets. The markets are generally characterised by high competitive intensity, decline in every day black but with strong growth in specialty categories. During the year, the Company benefited from the full year impact of conversion of an overseas joint venture to a subsidiary and restructuring of its Russia operations. Profit before tax and exceptional items improved, despite BREXIT driven by higher commodity cost, largely due to good control over costs and benefits of restructuring of the operations. Profit after tax however was impacted mainly due to one-time non-recurring restructuring costs and one-time credits in the previous year relating to conversion of an overseas joint venture to a subsidiary. The Company has in principle approved restructuring of certain operations relating to its business in Eastern Europe.

Tata Coffee Limited had a difficult year with performance lower than the previous year in both the plantation and extraction businesses. The company's plantation operations were impacted by crop loss due to abnormal and extreme weather conditions and lower terminal prices for Robusta Coffee whilst the coffee extraction operations were impacted due to lower sales.

Out of the various awards and recognitions which Tata Coffee has received during the year, it is noteworthy that in the second edition of the Ernesto Illy International Coffee Award in New York for the Year 2017, Nullore and Coovercolly Estates have received the award for their excellence in quality. Nullore Estate in Coorg is best known for its 'The Tata Nullore Estate microlot' - the first Indian microlot to be featured last year in Starbucks Reserve stores in Seattle, USA.

The Board of Tata Coffee Limited have recommended a dividend of Rs. 1.50 per share (face value of Re. 1 per share) for the year ended 31st March, 2018.

Eight O'Clock Coffee (EOC) registered a good performance with topline growth mainly in pods and private label sales. During the year, the company negotiated and renewed its contract with Keurig resulting in EOC having the benefit of direct sales of pods in most of the channels in which it operates and consequently the margins as opposed to a royalty agreement which was prevailing earlier. Profit before tax and exceptional item was impacted mainly due to higher Arabica Coffee commodity costs partially offset by savings due to internal restructuring, lower spends and margin improvement on the renewed Keurig contract. Profit after tax was significantly ahead of the previous year mainly due to a lower tax incidence on account of the benefit of reduction in the US tax rates.

Tata Tea Extractions Inc., the Company's subsidiary in the US had a stable performance during the year.

Associates

Amalgamated Plantations Private Limited (APPL), India, reported higher revenue of 5% with improvements in sales from both own and purchased crops further enhanced with a higher orthodox mix to drive higher realisations. Improvement in price realisations was visible over the entire tea portfolio riding on quality improvements across many estates. Operating losses were reduced due to higher realisation and good control over expenses despite increase in wages.

Kanan Devan Hills Plantations Company Private Limited reported a topline growth of 7% over the previous year. The production for the year was the second highest ever since the formation of the company with an all-time record yield. The company also improved its realisations despite depressed tea auction prices in South India due to improved product mix. However, profit before and after tax was impacted because of higher wage cost which has been partially offset by improved realisations and good cost management.

Joint Ventures

Tata Starbucks Private Limited, our joint venture with Starbucks has been recognised as one of the Top Ten India's Best Workplaces in Retail in FY 2017-18. During the year, Tata Starbucks celebrated the opening of its 100th store located in Mumbai and its five-year anniversary in India with a series of strategic initiatives that reaffirm its long-term commitment to the market. During the year, the business also entered Kolkata in West Bengal and has opened 3 stores till date in the city. The Company's sales increased by 28% driven by better in store performance coupled with new stores added during the year. For the first time since inception, the company recorded a positive EBITDA.

NourishCo Beverages Limited, our joint venture with PepsiCo, reported an increase of 8% in sales driven by growth across its portfolio i.e. Tata Gluco Plus, Tata Water Plus and Himalayan mineral water. The growth has been aided by achieving improved volume through distribution expansion. For the first time since inception, the Company is close to break even levels due to improved sales and structural improvements to the cost base by reducing logistics and manufacturing costs.

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

The following are the changes in subsidiaries, associates and joint ventures during FY 2017-18:

- Zhejiang Tata Tea Extractions Company Limited, China ceased to be a subsidiary consequent to sale of stake
- Sunty LLC and Tea Trade LLC ceased to be subsidiaries and Coffee Trade LLC became a subsidiary consequent to the restructuring of our Russian business
- Estate Management Services Private Limited, Sri Lanka ceased to be an Associate consequent to sale of stake

There were no other changes during FY 2017-18.

For further analysis on the consolidated performance, attention is invited to the section on Management Discussion and Analysis, notes to the consolidated financial statements and Form AOC 1.

Human Resources and Industrial Relations

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

Corporate Governance and MD&A

A detailed report on Corporate Governance, which forms part of this Annual Report is provided separately. The Management Discussion and Analysis (MD&A) forms an integral part of this report and also covers the consolidated operations reflecting the global nature of our business.

Vigil Mechanism / Whistle Blower Policy

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. The vigil mechanism provides for adequate safeguards against victimisation of the Director(s) and employee(s) who avail this mechanism. All Directors and employees have access to the Chairman of the Audit Committee. The said policy is available on the website of the Company at www.tataglobalbeverages.com

Internal Financial Controls

The Company has adequate and robust systems for Internal Financial Controls which includes operational controls and internal financial controls over financial reporting. These are detailed in the MD&A.

Governance Guidelines

The Company's governance guidelines on Board effectiveness cover aspects relating to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, term of Directors, retirement age and committees of the Board. The guidelines also cover key aspects relating to nomination, appointment, induction and development of Directors, Directors remuneration, oversight on subsidiary performances, code of conduct, Board effectiveness reviews and various mandates of Board committees.

Selection and Procedure for Nomination and Appointment of Directors

The Company has a Nomination and Remuneration Committee (NRC) which is responsible for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The NRC makes recommendations to the Board in regard to appointment of new Directors. The role of the NRC encompasses conducting a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The NRC is also responsible for reviewing the profiles of potential candidates vis-à-vis the required competencies, undertake a reference and due diligence and meeting of potential candidates prior to 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.

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

In terms of the provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

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

- **Positive Attributes** - Apart from the duties of Directors as prescribed in the Companies Act, 2013, the Directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.
- **Independence** - A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

Annual Evaluation of the Board, its Committees and Individual Directors

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Companies Act, 2013, Listing Regulations and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Chairman of the Company and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

The NRC and the Board reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In the board meeting that followed the meeting of the independent directors and meeting of NRC, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Remuneration Policy

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013, and Regulation 19 of the Listing Regulations, the NRC has formulated a policy relating to the remuneration for the Directors, key managerial personnel (KMP) and other employees. The philosophy for remuneration is based on the commitment of fostering a culture of leadership with trust. While formulating this

policy, the NRC has considered the factors laid down in Section 178(4) of the Companies Act, 2013, which are as under:

- That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The key principles governing the Remuneration Policy are as follows:

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

In accordance with the policy, the Managing Director, Executive Director, KMPs and employees are paid basic salary, benefits, perquisites, allowances and annual incentive remuneration / performance linked bonus subject to achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

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

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

The Company pays a sitting fee of Rs. 30,000 per meeting per Director for attending meetings of the Board, Audit, Nomination and Remuneration and Executive Committees (Rs. 20,000 in case of Mr. N. Chandrasekaran, Chairman and Mr. Harish Bhat, Director). For meetings of all other committees of the Board, a sitting fee of Rs. 20,000 per meeting per Director is paid (Rs. 10,000 in case of Mr. N. Chandrasekaran, Chairman and Mr. Harish Bhat, Director).

Within the ceiling of 1% of net profits of the Company, computed under the applicable provisions of the Companies Act, 2013, the Non-Executive Directors including Independent Directors are also paid a commission, the amount whereof is recommended by the NRC and determined by the Board. The basis of determining the specific amount of commission payable to a Non-Executive Director is related to his attendance at meetings, role and responsibility as Chairman 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 Annual General Meeting held on 26th August, 2014, which is valid up to the year ending 31st March, 2019. The Company will be seeking approval of the shareholders for payment of commission to the Non-Executive Directors which shall be valid for all subsequent financial years commencing from 1st April, 2019 as provided in Section 197 of the Companies Act, 2013, at the forthcoming Annual General Meeting. No Stock option has been granted to the Non-Executive Directors.

Independent Directors' Declaration

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

Familiarisation programme for Independent Directors

All Independent Directors ('IDs') inducted on the Board go through a structured orientation programme. Presentations are made by Executive Directors and Senior Management giving an overview of our operations to familiarise the IDs with the Company's business operations. The IDs are given an orientation on the Company's products, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks including risk management strategy.

The details for familiarisation of the Independent Directors are put up on the website of the Company. As required under Regulation 46(2)(i) of the Listing Regulations, the details of familiarisation programmes conducted during FY 2017-18 is also put on the Company's website and the same can be accessed at the link: <http://www.tgbl.com/company/leadership/board-of-directors>

Board Diversity

The Company recognises 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 which sets out the approach to diversity of the Board of Directors.

Number of meetings of the Board

For seamless scheduling of meetings, a calendar is prepared and circulated in advance.

The Board of Directors had held eight meetings during FY 2017-18. For further details, please refer to the Corporate Governance Report, which forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

Audit Committee

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report which forms part of this Annual Report.

Significant and material orders passed by the Regulators or Courts

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

Corporate Social Responsibility (CSR) and Sustainability initiatives

In compliance with Section 135 of Companies Act, 2013, the Company has undertaken CSR activities, projects and programs, excluding activities undertaken in pursuance of its normal course of business.

The Natural Beverages Policy of Tata Global Beverages is the apex Sustainability Policy that defines the aspiration to be the consumer's first choice in sustainable beverage production and consumption. The sustainability pillars of the Company are Sustainable Sourcing, Climate Change, Water Management, Waste Management and Community Development.

Tata Global Beverages aspires to create sustainability leadership in its beverages production units through focus on zero waste to landfill, use of renewable energy and rain water harvesting. All packaging centres globally have focused on zero waste to landfill target and only a small fraction of TGB wastes go to landfills, mostly due to techno-commercial feasibility. The Eaglescliffe factory utilises about 39% of its electricity requirement from a 4.6MW solar farm at a nearby location. TGB has also installed solar photovoltaic plants at its Water factory in Dhaula Kuan and Sampla Packaging Centre in India that account for about 25% of the energy used in those factories. Through Project Jalodari, Tata Global Beverages supports the right to water for everyone "to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic uses." The project has established rain water harvesting and recharges structures in all Indian packaging centres.

During the year under review, the Company spent Rs. 6.51 Crores (2.12% of the average qualifying net profits of last three financial years) on CSR activities on projects qualifying as per Section 135 of

the Companies Act, 2013 duly approved by the CSR Committee. In addition to the projects specified as CSR activities under section 135 of Companies Act 2013, the Company has also carried out several other sustainability / responsible business initiatives and projects on a global scale.

Salient features of the CSR Policy and details of activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in Annexure 1 forming part of this Report. The CSR Policy may be accessed on the Company's website at the link: <http://tataglobalbeverages.com/investors/governance/policies>

Particulars of employees

The information required under Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure 2 which forms part of this report.

Pursuant to Section 197 (14) of the Companies Act, 2013, the details of remuneration received by the Managing Director and the Executive Director from the Company's subsidiary company during FY 2017-18 are also given in Annexure 2 attached to this report.

Particulars of loans, guarantees and investments by the Company

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in Annexure 3 which forms part of this report.

Risk Management

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement, and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Company has an elaborate Risk Charter and Risk policy defining risk management governance model, risk assessment and prioritisation process. The Risk Management Committee reviews and monitors the key risks and their mitigation measures periodically and provides an oversight to the Board on Company's risks outlined in the risk registers.

The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are addressed through mitigating actions.

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 workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder for prevention and redressal of complaints

of sexual harassment at workplace. Awareness programs were conducted at various locations of the Company.

During the year, the Company received one complaint of sexual harassment which was resolved by taking appropriate action.

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 public was outstanding as on 31st March, 2018.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Dr. Asim Kumar Chattopadhyay, Company Secretary in Practice, to carry out the Secretarial Audit of the Company. The Report of the Secretarial Auditor for FY 2017-18 is attached herewith as Annexure 4. There are no qualifications, observations, adverse remarks or disclaimer in the said report.

Business Responsibility Report (BRR)

The Listing Regulations mandate the inclusion of the BRR as part of the Annual Report for top 500 listed companies based on market capitalisation. In compliance with the Listing Regulations, the Company has integrated BRR disclosures into the Annual Report.

Extract of Annual Return

As provided under Section 92(3) of the Companies Act, 2013, the extract of annual return in Form MGT-9 is given in Annexure 5 which forms part of this report.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm:

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed and that there are no material departures;
- (ii) That the Directors 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) That the Directors have taken proper and sufficient care to the best of their knowledge and ability 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) That they have prepared the accounts for the financial year ended 31st March, 2018 on a 'going concern basis';
- (v) That the Directors have laid down internal financial controls for the Company which are adequate and are operating effectively;
- (vi) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

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 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 FY 2017-18.

Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no material significant related party transactions made by the Company during the year that would have required shareholder approval under Regulation 23(4) of the Listing Regulations. The disclosure in Form AOC-2 under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable. All related party transactions are reported to the audit committee. Prior approval of the audit committee is obtained on a yearly basis for the transactions which are planned and / or repetitive in nature and omnibus approvals are taken as per the policy laid down for unforeseen transactions. The policy on Related Party Transactions as approved by the Board is available on the Company's website and may be accessed at the link www.tataglobalbeverages.com/investors/governance/policies

The details of the transactions with related parties during FY 2017-18 are provided in the accompanying financial statements.

During the year, 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, as applicable.

Directors and Key Managerial Personnel (KMP)

Mr. N. Chandrasekaran was inducted as an additional director and Chairman of the Board effective 3rd July, 2017. He was also appointed as a Director by the members at the Annual General Meeting held on 18th August, 2017.

Mr. Harish Bhat had stepped down as Chairman effective close of 2nd July, 2017.

The Independent Directors on the Board of the Company, namely, Mrs. Mallika Srinivasan, Mr. V. Leeladhar, Mrs. Ranjana Kumar and Mrs. Ireena Vittal were appointed at the Annual General Meeting of the Company held on 26th August, 2014. Mr. Siraj Azmat Chaudhry was appointed as an independent director for five years effective 3rd July, 2017 at the AGM held on 18th August, 2017. All the said Independent Directors have given declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

During FY 2018-19, Mr. S. Santhanakrishnan had given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. The said declaration was considered by the NRC at its meeting on 11th May, 2018 and the Board thereafter at its meeting on 11th May, 2018, based on the recommendation of the NRC approved the re-categorisation of Mr. Santhanakrishnan as an independent director effective 11th May, 2018. Approval of the members for the appointment of Mr. Santhanakrishnan as Independent Director is being sought at the forthcoming Annual General Meeting.

Mr. Harish Bhat retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment.

Mr. L. KrishnaKumar was appointed as Executive Director for a period of five years which ended on 31st March, 2018. The Board based on the recommendation of the Nomination and Remuneration Committee approved the re-appointment of Mr. L. KrishnaKumar for a further period of five years from 1st April, 2018, subject to the approval of the shareholders. The approval of the shareholders relating to Mr. L. KrishnaKumar's re-appointment and remuneration is being sought at the forthcoming Annual General Meeting.

Pursuant to the provisions of Section 203 of the Act, the KMPs of the Company as on 31st March, 2018 are: Mr. Ajoy Misra, Managing Director & CEO, Mr. L. KrishnaKumar, Executive Director, Mr. John Jacob, Chief Financial Officer and Mr. V. Madan, Company Secretary.

Apart from the above, no other Director or KMP were appointed or had retired or resigned during FY 2017-18.

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

Auditors and Auditors' Report

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso to Section 143(12) of the Companies Act, 2013.

The Statutory Auditors' report on the financial statements for FY 2017-18 does not contain any qualifications, reservations, adverse remarks or disclaimer.

Cost Auditors

Your Board has appointed Shome & Banerjee, 5A Nurulla Doctor Lane, 2nd Floor, Kolkata - 700 017 as Cost Auditors of the Company for conducting cost audit for FY 2018-19. The members are requested to ratify the remuneration payable to the Cost Auditors for FY 2018-19.

Disclosure Requirements

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in Annexure 6 which forms part of this report.

Pursuant to the Listing Regulations, the Report on Corporate Governance along with the certificate from a Practicing Company Secretary regarding compliance of conditions of Corporate Governance, the Business Responsibility Report and the Dividend Distribution Policy are attached and are part of this Annual Report.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Appreciation

The Directors wish to convey their deep appreciation to all the employees of the Company for their sincere and dedicated services as well as their collective contribution to the Company's performance.

On behalf of the Board of Directors

N. Chandrasekaran

Mumbai
11th May, 2018

Chairman

(DIN 00121863)

Annexure 1 to Board's Report

Annual Report on CSR Activities

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Natural Beverages Policy

Tata Global Beverages (TGB) is committed to be the most admired natural beverage company in the world by making a big and lasting difference through Sustainability and Corporate Social Responsibility. We shall achieve this by being the consumer's first choice in sustainable beverage production and consumption.

TGB shall focus on Climate Change, Water Management, Sustainable Sourcing, Waste Management and Community Development. Towards community development, we shall undertake programs focused on education and skills, healthcare and women empowerment. We shall actively participate in TATA Group activities and programs for volunteering and affirmative action.

We 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 Corporate Social Responsibility (CSR) Policy of the Company is available at link: <http://tataglobalbeverages.com/investors/governance/policies>

Overview of projects implemented during 2017-18 as identified for the purpose of Section 135 of the Companies Act, 2013:

Education

Srishti is a welfare centre for the differently-abled in Munnar, Kerala. Set up in 1991, Srishti comprises of 6 units - DARE, Nisarga (strawberry unit), Athulya (manufactures handmade paper and paper products), The Deli (confectionery unit), The Garden Project (fruits, vegetables and flowers cultivation) and Aranya Naturals (natural dye and special effects project that includes tie and dye, shibori, batik and block printing). Srishti is the umbrella under which TGB is enabling learning and economic opportunities for differently-abled youth, through its training and rehabilitation initiatives in Munnar. In 2017, Aranya Naturals was recognised for its outstanding contribution to India's craft sector at the first International Craft Awards in New Delhi. Aranya received the award for 'Organisation/Company for Business Development of Craft Sector' from Ms. Maneka Gandhi, Union Minister for Women and Child Development,

Govt. of India. TGB supports the welfare centre by sponsoring the operational expenses.

Healthcare

Providing affordable healthcare has always been a key community intervention for TGB. The Referral Hospital and Research Centre (RHRC) Chubwa in Assam provides free or subsidised medical facilities to general population and the tea communities. New medical specialities, namely, Orthopedics, Neurosurgery and Physiotherapy have been introduced at the hospital. The eHub, located at RHRC for the e-Healthcare Project in collaboration with Hewlett Packard, has been completed and e-hub video consultation is on the rise. TGB's CSR contribution to the hospital is accounted for by covering the deficit incurred by the hospital.

Tata Global Beverages Limited (TGBL) supports the St. Jude's India Child Care Centres to extend help to the cancer affected children. St. Jude's provides needy children under treatment for cancer with a clean, safe, hygienic place to stay, nutritional support, transportation to hospital for treatment, as well as recreation, education and counselling.

Skill Development

TGBL along with Starbucks Corporation, Starbucks Foundation and Tata Sons have signed an MOU to collaborate on a charitable skills development programme through the Tata Community Initiatives Trust (Tata STRIVE). The key components of the areas of collaboration are:

- Develop training content for Quick Service Restaurant (QSR) roles,
- Develop curriculum leveraging Tata Starbucks expertise,
- Develop audio-Visual film to promote understanding of QSR industry,
- Establish Café Labs at Tata STRIVE Skill Development Centers ("TSSDC") to provide hands-on experiences,
- Provide Retail training at colleges/ Tata STRIVE extension centers/ partner centers,
- Build capacity of TATA Strive to provide QSR training to more youth.

TGBL supports Unnati (a Bangalore based NGO) in providing job oriented training for youth from the under privileged communities. Unnati has provided training and placement of 125 youths from the under privileged communities in FY 2017-18.

Women Empowerment

The UNICEF-ETP project aims to reduce the vulnerability of women in Assam to trafficking and abuse, and is co-funded by TGB, IDH, Tesco, OTG, Taylor's & Typhoo. Through our partnership, we set out to support the positive development of 104 tea estates in Assam, India. At the end of the first phase of the programme, we have exceeded our initial targets by ensuring that over 33,000 adolescent girls have the knowledge, skills and confidence to protect themselves, increase the options open to them and enable them to make informed decisions about their future. Approximately 30,000 community members are equipped to protect children from violence, abuse and exploitation through meetings and awareness drives within the community. To complement these community-based interventions, UNICEF and ETP have made significant progress by influencing policies and systems at all levels of government and industry to strengthen child protection measures and to ensure that these changes are sustainable and scalable.

Affirmative Action

TGB has a clear focus and strategic approach towards driving Affirmative Action (AA). This means that the organisation is committed to directly conducting and supporting initiatives for socially and economically disadvantaged sections in the country at large, and in particular the AA initiatives are specifically focused on the Scheduled Caste and Scheduled Tribe communities in India. The Tata Affirmative Action Programme has defined criteria and the processes are driven through 4Es – Employment, Employability, Entrepreneurship and Education.

2. Composition of the CSR Committee

TGBL has constituted a robust governance structure to oversee the implementation of the CSR projects, in compliance with the requirements of Section 135 of the Companies Act, 2013. The CSR governance structure of TGBL is headed by the CSR Committee of the Board. The CSR Committee grants auxiliary power to the Working Committee of the Company to act on their behalf.

The members of the CSR Committee as on 31st March, 2018 are:

- a. Ranjana Kumar (Mrs.) (Chairperson)
- b. S. Santhanakrishnan
- c. V. Leeladhar
- d. Ajoy Misra

Note: Dr. S. Parasuraman is an expert member of the CSR Committee and is a permanent invitee for the CSR Committee meetings.

3. Average net profit of the company for last three financial years: Rs. 306.88 Crores

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 6.14 Crores

5. Details of CSR spent during the financial year

- a. Total amount to be spent for the financial year – Rs. 6.14 Crores
- b. Total amount spent during this year – Rs. 6.51 Crores (2.12% of average net profit)

Amount unspent, if any - Nil

c. Manner in which the amount was spent during the financial year is detailed below:

CSR Project or Activity Identified	Relevant Section of Schedule VII in which the project is covered	Project or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount Outlay (Budget) Project or Program wise Rs. in Crores	Amount Spent on the projects or program subheads Rs. in Crores	Cumulative Expenditure upto the reporting period Rs. in Crores	Amount Spent: Direct or through Implementing Agency
Skill development trainings to AA youth	(ii)	Bangalore, Karnataka	0.16	0.22	0.94	Unnati
Skill development training to differently abled	(ii)	Munnar, Kerala	2.56	2.24	6.53	Direct
Affordable Healthcare for all	(i)	Chubwa, Assam	3.00	2.54	10.91	Associate Company
Formation and strengthening of women self-help groups	(iii)	Haveri, Karnataka	0.08	0.08	0.22	Concern India Foundation
Creating awareness on child rights and human trafficking	(iii)	Assam	0.50	0.33	1.43	UNICEF and ETP
Enhancing skills of women in up cycling of laminates	(ii)	Chennai, Tamil Nadu	0.12	0.12	0.49	Exanora Green Pammal
Supporting Cancer-affected children	(i)	Kolkata, West Bengal	0.20	0.20	0.82	St. Jude's India Child Care Centres
Skill Training	(ii)	All India	0.20	0.20	0.22	Direct
Skill development training for QSR industries	(ii)	Chennai, Tamil Nadu	0.45	0.45	2.00	Tata Communities Initiatives Trust
Swacha Abhiyan	(i)	Pune, Maharashtra	0.30	0.13	0.13	Arts Alive Foundation
Total			7.57	6.51	23.69	

Schedule VII

- (i) Eradicating hunger, poverty and malnutrition, (promoting health care including preventive health care) and sanitation (including contribution to the 'Swachh Bharat Kosh' set up by the Central Government for the promotion of sanitation) and making available safe drinking water;
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

CSR Committee responsibility statement

Through this report, Tata Global Beverages Limited seeks to communicate its commitment towards CSR to the Ministry of Corporate Affairs. The implementation and monitoring of our CSR Policy is in compliance with the CSR objectives and policies as laid down in this report. The Board of the company and the CSR Committee is responsible for the integrity and the objectivity of all the information provided in the disclosure above.

Ajoy Misra

Managing Director and
Chief Executive Officer
(DIN 00050557)
Mumbai
11th May, 2018

Ranjana Kumar

Chairperson
CSR Committee
(DIN 02930881)

Annexure 2 to Board's Report

Particulars of Employees

The information required under Section 197 of the Companies Act, 2013 (the Act) read with Rule 5(1) of the (Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

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

Non- executive directors	Ratio to median remuneration*
Mr. N. Chandrasekaran [^]	-
Mr. Harish Bhat	2.06
Ms. Mallika Srinivasan	14.06
Mr. V. Leeladhar	59.03
Ms. Ranjana Kumar	49.32
Mr. S. Santhanakrishnan	35.45
Ms. Ireena Vittal	14.81
Mr. Siraj Azmat Chaudhry [^]	-

Executive directors	Ratio to median remuneration*
Mr. Ajoy Misra	259.95
Mr. L. KrishnaKumar	219.41

*Median salary computation is based on a total employee head count of 2565, of which approximately 2000 employees are within collective bargaining process

[^] Since the remuneration of these Directors is only for part of the year, the ratio of their remuneration to median remuneration is not comparable and hence not given.

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

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year #
Mr. N. Chandrasekaran	@
Mr. Harish Bhat ##	(24%)
Ms. Mallika Srinivasan	32%
Mr. V. Leeladhar	4%
Ms. Ranjana Kumar	20%
Mr. S. Santhanakrishnan	5%
Ms. Ireena Vittal	(40%)

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year #
Mr. Siraj Azmat Chaudhry	@
Mr. Ajoy Misra, Managing Director and CEO**	6.7%
Mr. L. KrishnaKumar, Executive Director and Group CFO**	7.1%
Mr. John Jacob, Chief Financial Officer	7.8%
Mr. V. Madan, Company Secretary	3.1%

#For the purposes of these computations, incentive remuneration has been considered based on accruals and payments relating to earlier years have been excluded.

##Mr. Harish Bhat draws only sitting fees from the Company.

** Compensation paid from a Subsidiary Company in UK has also been considered for computation of increase.

@ Increase in remuneration is not given as the concerned directors were only for the part of the year.

- c) The percentage increase in median remuneration of employees in the financial year: 16%
- d) The number of permanent employees on the rolls of the Company: 2565
- e) Average percentage increase for other than managerial personnel (excluding unionised staff) works to around 7.4%. The percentage increase for all employees was 8.8%. Increase in the managerial remuneration was 6.9% on a like to like basis (including compensation paid from a Subsidiary Company in the UK). Percentage increases for various categories are granted based on market trends and performance criteria.
- f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that the remuneration is as per the remuneration policy of the Company.

- g) The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure

is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

subsidiary, Tata Global Beverages (GB) Ltd. during the year 2017-18. (The remuneration drawn in GBP has been converted into INR at average exchange rate).

h) Disclosure under Section 197(14) of the Companies Act, 2013:

On behalf of the Board of Directors

Mr. Ajoy Misra, Managing Director, and Mr. L. KrishnaKumar, Executive Director, received remuneration of Rs. 45.12 Lakhs and Rs. 36.67 Lakhs respectively from the Company's overseas

Mumbai
11th May, 2018

N. Chandrasekaran
Chairman
(DIN 00121863)

Annexure 3 to Board's Report

Particulars of Investment made and Guarantee/Loan given during the year

Particulars of Investment made Guarantee given and Loan given	Name of the Entity	Amount (Rs. in Crores)	Purpose for which Loan, Guarantee is proposed to be utilised by the recipient
Investments	Tata Starbucks Private Limited	10.00	Not Applicable
Guarantee	-	-	-
Inter Corporate Deposits	Kerala Ayurveda Limited [^]	4.25	Cash Management/Trade deposit

[^]Renewed during the year

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

On behalf of the Board of Directors

Mumbai
11th May, 2018

N. Chandrasekaran
Chairman
(DIN 00121863)

Annexure 4 to Board's Report

FOR THE FINANCIAL YEAR ENDED 31st March, 2018

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

To,
The Members,
Tata Global Beverages Limited
1, Bishop Lefroy Road
Kolkata – 700 020

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 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 Global Beverages Limited for the financial year ended on 31st March, 2018 according to the provisions as may be applicable to the company of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- f. The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014; Not applicable during the period under review;
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; Not applicable during the period under review as the company is not acting as a Registrar and Share Transfer Agent;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the period under review and
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. Not applicable during the period under review;
- (vi) The Food Safety and Standards Act, 2006 along with Food Safety and Standards Rules 2011;
- (vii) The Tea Board Guidelines and Orders;
- (viii) Pollution Control Act, Rules and Notification issued thereof;
- (ix) Legal Metrology Act, 2009 and Rules made thereunder;
- (x) The Tea Act, 1953 and Tea Warehouse (Licensing) Order, 1989;
- (xi) The Factories Act, 1948 and Rules made thereunder;
- (xii) Shops and Establishment Act, 1953;
- (xiii) The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Rules made thereunder;
- (xiv) The Maternity Benefits Act, 1961;
- (xv) The Minimum Wages Act, 1948;
- (xvi) The Payment of Bonus Act, 1965;

- (xvii) The Payment of Gratuity Act, 1972;
- (xviii) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959;
- (xix) The Payment of wages Act, 1936 and other applicable Industrial and Labour Laws.

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

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Changes have taken place in the composition of the Board of Directors during the period under

review. Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Video / Teleconferencing facilities are used as and when required to facilitate the Directors at other locations to participate in the meeting.

The dissenting views of the member(s) of the Board of Directors and Committees thereof were captured and minuted whenever arises.

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.

Dr. Asim Kumar Chattopadhyay

Practising Company Secretary

FCS No. 2303

Certificate of Practice No. 880

Date: 11th May, 2018

Annexure "A"

(To the Secretarial Audit Report of Tata Global Beverages Limited for the Financial year ended 31st March, 2018)

To,
The Members
Tata Global Beverages Limited
1, Bishop Lefroy Road
Kolkata 700 020

My Report for the financial year ended 31st March, 2018 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 Account 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

Date: 11th May, 2018

Annexure 5 to Board's Report

Form No. MGT-9

Extract of Annual Return

As on the financial year ended on 31st March, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L15491WB1962PLC031425
ii)	Registration Date	18 th October, 1962
iii)	Name of the Company	Tata Global Beverages Limited
iv)	Category / Sub Category of the Company	Company Limited by Shares/ Indian Non-Government Company
v)	Address of the Registered office and contact details	Tata Global Beverages Limited 1, Bishop Lefroy Road, Kolkata – 700 020 Telephone : 033-22836917 Fax : 033-22833032 Email : investor.relations@tgbl.com
vi)	Whether listed company (Yes / No)	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	TSR Darashaw Limited 6-10 Haji Moosa Patrawala Ind. Estate 20 Dr. E Moses Road, Mahalaxmi Mumbai – 400 011 Telephone : 022-66568484 Fax : 022-66568494 Website : www.tsrdarashaw.com E-mail : csg-unit@tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products /services	NIC Code of the Product/ service	% to total turnover of the Company
1	Processing and blending of tea including manufacture of Instant tea	NIC Code 107921	98.90

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Tata Global Beverages Group Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	89.10	2 (87)
2	Tata Global Beverages Holdings Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
3	Tata Global Beverages Services Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
4	Tata Global Beverages GB Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
5	Tata Global Beverages Overseas Holdings Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
6	Tata Global Beverages Overseas Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
7	Lyons Tetley Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
8	Drassington Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
9	Teapigs Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
10	Teapigs US LLC 195 Chrystie Street, #602E, New York 10002, USA	N.A.	Subsidiary	100	2 (87)
11	Stansand Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
12	Stansand (Brokers) Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
13	Stansand (Africa) Limited 3 rd Floor Tea House, Nyerere Avenue P. O. Box 90683-80100 Mombasa, Kenya	N.A.	Subsidiary	100	2 (87)
14	Stansand (Central Africa) Limited Along Masauko Chipembere Highway-Maselema Area- Limbe, P. O. Box 546, Blantyre, Malawi	N.A.	Subsidiary	100	2 (87)
15	Joekels Tea Packers (Proprietary) Limited 23-33 Hagart Road, Pinetown 3610, Kwazulu Natal South Africa	N.A.	Subsidiary	51.70	2 (87)
16	Tata Global Beverages Polska Sp.zo.o. UL Zolny 33 02-815 Warszawa, Poland	N.A.	Subsidiary	100	2 (87)
17	Tata Global Beverages Czech Republic a.s. Znojemska 687 675 31 Jemnice, Czech Republic	N.A.	Subsidiary	100	2 (87)
18	Tata Global Beverages US Holdings Inc. 155 Chestnut Ridge Road, Montevale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
19	Tata Waters LLC 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
20	Tetley USA Inc. 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
21	Good Earth Corporation 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
22	Good Earth Teas Inc 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
23	Empirical Group, LLC 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	56	2 (87)
24	Tata Global Beverages Canada Inc. 10 Carlson street, Etobicoke, Ontario M9W6L2, Canada	N.A.	Subsidiary	100	2 (87)
25	Tata Global Beverages Australia Pty. Limited 620 Church Street, Richmond, Victoria, Australia 3121	N.A.	Subsidiary	100	2 (87)
26	Earth Rules Pty. Limited 620 Church Street, Richmond, Victoria, Australia 3121	N.A.	Subsidiary	100	2 (87)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
27	Tata Global Beverages Investments Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
28	Campestres Holdings Limited Capital Center, 9 th Floor, 2-4 Makarios Avenue, 1065 Nicosia, Cyprus	N.A.	Subsidiary	100	2 (87)
29	Kahutara Holdings Limited Capital Center, 9 th Floor, 2-4 Makarios Avenue, 1065 Nicosia, Cyprus	N.A.	Subsidiary	65	2 (87)
30	Suntyco Holding Limited Capital Center, 9 th Floor, 2-4 Makarios Avenue, 1065 Nicosia, Cyprus	N.A.	Subsidiary	100	2 (87)
31	Onomento Co. Limited Capital Center, 9 th Floor, 2-4 Makarios Avenue, 1065 Nicosia, Cyprus	N.A.	Subsidiary	100	2 (87)
32.	Sunty LLC ⁵ Prospect Mira Street, 69 Building 1, Moscow, 129110, Russian Federation	N.A.	Subsidiary	100	2 (87)
33.	Tea Trade LLC ⁵ Prospect Mira Street, 69 Building 1, Moscow, 129110, Russian Federation	N.A.	Subsidiary	100	2 (87)
34	Coffee Trade LLC* Prospect Mira Street, 69 Building 1, Moscow, 129110, Russian Federation	N.A.	Subsidiary	100	2 (87)
35	Tata Global Beverages Capital Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
36	Tata Coffee Limited Pollibetta, Kodagu, Karnataka, India	L01131KA1943PLC000833	Subsidiary	57.48	2 (87)
37	Tata Coffee Vietnam Company Limited [#] No. 12 VSIP II – A Street 32, Vietnam Singapore Industrial Park II-A, Tan Binh Commune, Bac Tan Uyen Town, Binh Doung Province, Vietnam	N.A.	Subsidiary	100	2 (87)
38	Consolidated Coffee Inc. 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
39	Eight O' Clock Holdings Inc. 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
40	Eight O' Clock Coffee Company 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
41	Tata Tea Extractions Inc 1001 W Dr M L King Jr Blvd Plant City, FL 33563, USA	N.A.	Subsidiary	100	2 (87)
42.	Zhejiang Tata Tea Extraction Co. Limited ⁵ Economic Development Zone, Anji, Zhejiang, China	N.A.	Subsidiary	89.75	2 (87)
43	Tata Tea Holdings Private Limited 4 th Floor, New Excelsior Building, Amrit Keshav Nayak Marg Fort, Mumbai – 400 001, India	U67190MH2008PTC187767	Subsidiary	100	2 (87)
44	TRIL Constructions Limited Elphinstone Building, 2 nd Floor, 10 Veer Nariman Road, Mumbai - 400 001, India	U45201MH2007PLC171985	Associate	48.40 @	2 (6)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
45	Estate Management Services Private Limited [^] No. 60, Dharmapala Mawatha, Colombo 03, Sri Lanka	N.A	Associate	31.85	2 (6)
46	Amalgamated Plantations Private Ltd 1, Bishop Lefroy Road, Kolkata – 700 020, India	U01132WB2007PTC112852	Associate	41.03	2 (6)
47	Kanan Devan Hills Plantations Company Private Ltd KDHP House, Munnar, Kerala- 685612, India	U01132KL2005PTC018014	Associate	28.52	2 (6)
48	NourishCo Beverages Limited Level-3, Pioneer Square, Sector- 62, Near Golf Course Extension Road, Gurugram-122101, Haryana, India	U15500HR2010PLC041616	Joint Venture	50	2 (6)
49	Tata Starbucks Private Limited 4 th Floor, New Excelsior Building, Amrit Keshav Nayak Marg Fort, Mumbai – 400 001, India	U74900MH2011PTC222589	Joint Venture	50	2 (6)
50	Tetley ACI (Bangladesh) Limited 245 Tejgaon Industrial Area, Dhaka – 1208, Bangladesh	N.A.	Joint Venture	50	2 (6)
51	Southern Tea, LLC 1267 Cobb Industrial Drive, Marietta, Georgia 30066, USA	N.A.	Joint Venture	50	2(6)
52	Tetley Clover (Private) Limited Lakson Square Building No 2, Sarwar Shaheed Road, Karachi, Pakistan	N.A.	Joint Venture	50	2 (6)

% of shares held shown above is by the immediate Holding Company

@ Includes investment in Preference Shares

Yet to commence operations

\$ Ceased to be a Subsidiary during FY 2017-18

* Became Subsidiary during FY 2017-18

[^] Ceased to be Associate during FY 2017-18

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2017				No. of Shares held at the end of the year i.e. 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	21,71,28,190	0	21,71,28,190	34.40	21,74,45,190	0	21,74,45,190	34.45	0.05
e) Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1)	21,71,28,190	0	21,71,28,190	34.40	21,74,45,190	0	21,74,45,190	34.45	0.05
(2) Foreign									
a) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	21,71,28,190	0	21,71,28,190	34.40	21,74,45,190	0	21,74,45,190	34.45	0.05

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2017				No. of Shares held at the end of the year i.e. 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	3,82,40,517	1,30,715	3,83,71,232	6.08	6,41,29,841	1,05,415	6,42,35,256	10.18	4.10
b) Banks / Financial Institutions	7,74,82,185	62,845	7,75,45,030	12.29	3,04,55,428	62,055	3,05,17,483	4.83	-7.46
c) Central Government	0	0	0	0	0	0	0	0.00	0.00
d) State Government(s)	0	5,850	5,850	0.00	0	5,850	5,850	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	8,87,238	0	8,87,238	0.14	9,83,200	0	9,83,200	0.16	0.02
g) Foreign Institutional Investors	53,05,993	8,260	53,14,253	0.84	9,29,304	6,260	9,35,564	0.15	-0.69
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio Investors (corporate)	9,01,70,336	0	9,01,70,336	14.29	12,85,67,293	0	12,85,67,293	20.37	6.08
Sub -Total (B)(1)	21,20,86,269	2,07,670	21,22,93,939	33.64	22,50,65,066	1,79,580	22,52,44,646	35.69	2.05
2. Non-Institutions									
a) Bodies Corporate									
i. Indian	87,32,771	2,04,765	89,37,536	1.42	95,26,230	1,74,405	97,00,635	1.54	0.12
ii. Overseas	80,423	50,100	1,30,523	0.02	3,521	50,100	53,621	0.01	-0.01
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	11,90,85,766	1,34,12,135	13,24,97,901	20.99	11,49,54,739	1,12,34,124	12,61,88,863	19.99	-1.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	1,14,56,696	2,60,200	1,17,16,896	1.86	98,72,577	1,18,450	99,91,027	1.58	-0.27
c) Any Others (specify)									
(i) Trusts	74,82,306	4,630	74,86,936	1.19	82,66,144	4,000	82,70,144	1.31	0.12
(ii) Directors and their relatives	0	0	0	0.00	0	0	0	0.00	0.00
(iii) Non-Resident Individuals	64,97,835	1,31,817	66,29,652	1.05	58,78,287	1,21,587	59,99,874	0.95	-0.10
(iv) Foreign Portfolio Investors – Individuals	20,250	0	20,250	0.00	2,400	0	2,400	0.00	0.00
(v) Foreign Institutional Investors-DR	1,29,311	0	1,29,311	0.02	0	0	0	0.00	-0.02
(vi) Foreign Nationals- DR	500	0	500	0.00	500	0	500	0.00	0.00
(vii) HUF	46,14,924	75	46,14,999	0.73	40,11,578	725	40,12,303	0.64	-0.10
(viii) Clearing Members	55,45,598	0	55,45,598	0.88	30,69,029	0	30,69,029	0.49	-0.39
(ix) Bodies Corporate- NBFC	58,330	0	58,330	0.01	1,36,414	0	1,36,414	0.02	0.01
(x) Limited Liability Partnership-LLP	6,47,567	0	6,47,567	0.10	4,42,634	0	4,42,634	0.07	-0.03
(xi) Alternate Investment Funds	0	0	0	0.00	1,80,000	0	1,80,000	0.03	0.03
(xii) IEPF Account	0	0	0	0.00	15,94,515	0	15,94,515	0.25	0.25
Sub-Total(B)(2)	16,43,52,277	1,40,63,722	17,84,15,999	28.27	15,79,38,568	1,17,03,391	16,96,41,959	26.88	-1.39
Total Public Shareholding (B)=(B)(1)+ (B)(2)	37,64,38,546	1,42,71,392	39,07,09,938	61.91	38,30,03,634	1,18,82,971	39,48,86,605	62.57	0.66
Total (A)+(B)	59,35,66,736	1,42,71,392	60,78,38,128	96.31	60,04,48,824	1,18,82,971	61,23,31,795	97.02	0.71
C. Shares held by Custodians for GDRs and ADRs	2,32,91,601	0	2,32,91,601	3.69	1,87,97,934	0	1,87,97,934	2.98	-0.71
Grand Total (A)+(B)+(C)	61,68,58,337	1,42,71,392	63,11,29,729	100.00	61,92,46,758	1,18,82,971	63,11,29,729	100.00	0.00

ii. Shareholding of Promoters (including promoter group)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2017			Shareholding at the end of the year i.e. 31.03.2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Tata Sons Limited	14,28,54,570	22.64	1.82	18,60,29,710	29.48	1.82	6.84
2	Tata Investment Corporation Limited*	2,69,45,000	4.27	0.00	2,69,45,000	4.27	0.00	0.00
3	Ewart Investments Limited*	34,16,360	0.54	0.00	37,33,360	0.59	0.00	0.05
4	Tata Industries Limited*	7,31,120	0.11	0.00	7,31,120	0.11	0.00	0.00
5	Titan Company Limited*	6,000	0.00	0.00	6,000	0.00	0.00	0.00
6	Tata Chemicals Limited*	4,31,75,140	6.84	0.00	0	0.00	0.00	-6.84
	Total	21,71,28,190	34.40	1.82	21,74,45,190	34.45	1.82	0.05

*part of Promoter Group

iii. Change in Promoters' Shareholding (including promoter group) (please specify, if there is no change)

Sl. No	Name of Shareholder	Shareholding at the beginning of the year as on 01.04.2017		Date	Reason	Increase/ Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Tata Sons Limited	14,28,54,570	22.64					14,28,54,570	22.64
				22.09.2017	Purchase of Shares	4,31,75,140	6.84		
								18,60,29,710	29.48
2	Ewart Investments Limited*	34,16,360	0.54					34,16,360	0.54
				23.06.2017	Purchase of Shares	3,13,000	0.05		
				30.06.2018	Purchase of Shares	4000	0.00		
								0.05	37,33,360
3	Tata Chemicals Limited*	4,31,75,140	6.84					4,31,75,140	6.84
				22.09.2017	Sale of Shares	(4,31,75,140)	(6.84)		
								0	0.00

*part of Promoter Group

Note: Except for the above there is no change in the holding of the Promoter and/ or Promoter Group during FY 2017-18

iv. Shareholding Pattern of top ten Shareholders

(other than Directors, Promoters and holders of GDRs and ADRs):

SL. No	Name of the Shareholder	Shareholding		Date	Reason	Increase / Decrease in shareholding	% of total shares of the Company	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
1	Baron Emerging Markets Fund	0	-	01-Apr-2017					
				03-Nov-2017	Transfer	3,806,806	0.60	3,806,806	0.60
				10-Nov-2017	Transfer	3,668,270	0.58	7,475,076	1.18
				17-Nov-2017	Transfer	4,724,924	0.75	12,200,000	1.93
				08-Dec-2017	Transfer	390,656	0.06	12,590,656	1.99
				15-Dec-2017	Transfer	170,000	0.03	12,760,656	2.02
				19-Jan-2018	Transfer	3,050,000	0.48	15,810,656	2.51
				02-Feb-2018	Transfer	200,000	0.03	16,010,656	2.54
				09-Feb-2018	Transfer	1,220,572	0.19	17,231,228	2.73
				16-Feb-2018	Transfer	529,428	0.08	17,760,656	2.81
				02-Mar-2018	Transfer	450,000	0.07	18,210,656	2.89
		16-Mar-2018	Transfer	900,000	0.14	19,110,656	3.03		
		19,110,656	3.03	31-Mar-2018				19,110,656	3.03
2	Life Insurance Corporation of India LIC of India Child Fortune Plus Growth Fund LIC of India Profit Plus Balanced Fund LIC of India Money Plus Growth Fund LIC of India Market Plus 1 Growth Fund Life Insurance Corporation of India P & Gs Fund Life Insurance Corporation of India - Ulif002180912licfx+Mix512	5,77,92,481	9.16	01-Apr-2017					
				07-Apr-2017	Transfer	-9,80,723	-0.16	5,68,11,758	9.00
				14-Apr-2017	Transfer	-8,88,481	-0.14	5,59,23,277	8.86
				21-Apr-2017	Transfer	-5,26,469	-0.08	5,53,96,808	8.78
				28-Apr-2017	Transfer	-3,04,327	-0.05	5,50,92,481	8.73
				23-Jun-2017	Transfer	-7,50,556	-0.12	5,43,41,925	8.61
				23-Jun-2017	Transfer	-3,00,000	-0.05	5,40,41,925	8.56
				30-Jun-2017	Transfer	-15,40,000	-0.24	5,25,01,925	8.32
				30-Jun-2017	Transfer	-4,39,524	-0.07	5,20,62,401	8.25
				07-Jul-2017	Transfer	-37,01,796	-0.59	4,83,60,605	7.66
				07-Jul-2017	Transfer	-11,40,000	-0.18	4,72,20,605	7.48
				14-Jul-2017	Transfer	-7,648	0.00	4,72,12,957	7.48
				14-Jul-2017	Transfer	-6,20,476	-0.10	4,65,92,481	7.38
				21-Jul-2017	Transfer	-10,07,090	-0.16	4,55,85,391	7.22
				21-Jul-2017	Transfer	-4,27,256	-0.07	4,51,58,135	7.16
				28-Jul-2017	Transfer	-21,71,649	-0.34	4,29,86,486	6.81
				28-Jul-2017	Transfer	-5,50,000	-0.09	4,24,36,486	6.72
				04-Aug-2017	Transfer	-18,21,261	-0.29	4,06,15,225	6.44
				04-Aug-2017	Transfer	-9,80,000	-0.16	3,96,35,225	6.28
				07-Aug-2017	Transfer	-2,50,000	-0.04	3,93,85,225	6.24
		11-Aug-2017	Transfer	-1,92,744	-0.03	3,91,92,481	6.21		
		18-Aug-2017	Transfer	-6,60,000	-0.10	3,85,32,481	6.11		
		18-Aug-2017	Transfer	-2,00,000	-0.03	3,83,32,481	6.07		
		25-Aug-2017	Transfer	-17,03,705	-0.27	3,66,28,776	5.80		
		25-Aug-2017	Transfer	-7,90,000	-0.13	3,58,38,776	5.68		
		01-Sep-2017	Transfer	-22,81,819	-0.36	3,35,56,957	5.32		
		01-Sep-2017	Transfer	-8,71,993	-0.14	3,26,84,964	5.18		
		08-Sep-2017	Transfer	-3,54,476	-0.06	3,23,30,488	5.12		
		08-Sep-2017	Transfer	-1,38,007	-0.02	3,21,92,481	5.10		
		13-Oct-2017	Transfer	-14,21,000	-0.23	3,07,71,481	4.88		
		13-Oct-2017	Transfer	-5,01,962	-0.08	3,02,69,519	4.80		
		20-Oct-2017	Transfer	-14,80,000	-0.23	2,87,89,519	4.56		

SL. No	Name of the Shareholder	Shareholding		Date	Reason	Increase / Decrease in shareholding	% of total shares of the Company	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
				20-Oct-2017	Transfer	-7,10,000	-0.11	2,80,79,519	4.45
				27-Oct-2017	Transfer	-20,99,000	-0.33	2,59,80,519	4.12
				27-Oct-2017	Transfer	-12,63,438	-0.20	2,47,17,081	3.92
				31-Oct-2017	Transfer	-5,05,003	-0.08	2,42,12,078	3.84
				12-Jan-2018	Transfer	-2,60,118	-0.04	2,39,51,960	3.80
				23-Feb-2018	Transfer	-16,88,019	-0.27	2,22,63,941	3.53
				02-Mar-2018	Transfer	-23,50,000	-0.37	1,99,13,941	3.16
				09-Mar-2018	Transfer	-19,61,981	-0.31	1,79,51,960	2.84
				30-Mar-2018	Transfer	-1,00,000	-0.02	1,78,51,960	2.83
		1,78,51,960	2.83	31-Mar-2018				1,78,51,960	2.83
3	Mirae Asset Tax Saver Fund	5,718,438	0.91	01-Apr-2017					
	Mirae Asset India Opportunities Fund			28-Apr-2017	Transfer	8,500	0.00	5,726,938	0.91
	Mirae Asset Emerging Bluechip Fund			26-May-2017	Transfer	27,225	0.00	5,754,163	0.91
	Mirae Asset Great Consumer Fund			26-May-2017	Transfer	172,775	0.03	5,926,938	0.94
				02-Jun-2017	Transfer	5,000	0.00	5,931,938	0.94
				02-Jun-2017	Transfer	20,000	0.00	5,951,938	0.94
				09-Jun-2017	Transfer	25,000	0.00	5,976,938	0.95
				09-Jun-2017	Transfer	70,000	0.01	6,046,938	0.96
				09-Jun-2017	Transfer	25,000	0.00	6,071,938	0.96
				16-Jun-2017	Transfer	111,959	0.02	6,183,897	0.98
				23-Jun-2017	Transfer	10,000	0.00	6,193,897	0.98
				07-Jul-2017	Transfer	125,000	0.02	6,318,897	1.00
				07-Jul-2017	Transfer	560,000	0.09	6,878,897	1.09
				07-Jul-2017	Transfer	300,000	0.05	7,178,897	1.14
				14-Jul-2017	Transfer	165,000	0.03	7,343,897	1.16
				14-Jul-2017	Transfer	1,650,000	0.26	8,993,897	1.43
				14-Jul-2017	Transfer	752,897	0.12	9,746,794	1.54
				21-Jul-2017	Transfer	200,000	0.03	9,946,794	1.58
				04-Aug-2017	Transfer	15,000	0.00	9,961,794	1.58
				18-Aug-2017	Transfer	157,072	0.02	10,118,866	1.60
				18-Aug-2017	Transfer	724,189	0.11	10,843,055	1.72
				18-Aug-2017	Transfer	446,739	0.07	11,289,794	1.79
				18-Aug-2017	Transfer	52,000	0.01	11,341,794	1.80
				25-Aug-2017	Transfer	132,000	0.02	11,473,794	1.82
				25-Aug-2017	Transfer	150,000	0.02	11,623,794	1.84
				25-Aug-2017	Transfer	150,000	0.02	11,773,794	1.87
				25-Aug-2017	Transfer	18,000	0.00	11,791,794	1.87
				08-Sep-2017	Transfer	66,000	0.01	11,857,794	1.88
				15-Sep-2017	Transfer	100,000	0.02	11,957,794	1.89
				15-Sep-2017	Transfer	400,000	0.06	12,357,794	1.96
				15-Sep-2017	Transfer	15,000	0.00	12,372,794	1.96
				29-Sep-2017	Transfer	125,000	0.02	12,497,794	1.98
				29-Sep-2017	Transfer	65,000	0.01	12,562,794	1.99
				06-Oct-2017	Transfer	50,000	0.01	12,612,794	2.00
				13-Oct-2017	Transfer	120,000	0.02	12,732,794	2.02
				27-Oct-2017	Transfer	2,663	0.00	12,735,457	2.02
				31-Oct-2017	Transfer	106,947	0.02	12,842,404	2.03
				31-Oct-2017	Transfer	178,245	0.03	13,020,649	2.06

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		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
				31-Oct-2017	Transfer	27,337	0.00	13,047,986	2.07
				03-Nov-2017	Transfer	440,000	0.07	13,487,986	2.14
				03-Nov-2017	Transfer	-178,245	-0.03	13,309,741	2.11
				17-Nov-2017	Transfer	-200,000	-0.03	13,109,741	2.08
				24-Nov-2017	Transfer	-300,000	-0.05	12,809,741	2.03
				05-Jan-2018	Transfer	-260,418	-0.04	12,549,323	1.99
				12-Jan-2018	Transfer	-200,000	-0.03	12,349,323	1.96
				19-Jan-2018	Transfer	-50,000	-0.01	12,299,323	1.95
				19-Jan-2018	Transfer	-300,000	-0.05	11,999,323	1.90
				26-Jan-2018	Transfer	120,000	0.02	12,119,323	1.92
				26-Jan-2018	Transfer	30,000	0.00	12,149,323	1.93
				02-Feb-2018	Transfer	50,000	0.01	12,199,323	1.93
				02-Feb-2018	Transfer	150,000	0.02	12,349,323	1.96
				09-Feb-2018	Transfer	170,000	0.03	12,519,323	1.98
				09-Feb-2018	Transfer	80,000	0.01	12,599,323	2.00
				23-Feb-2018	Transfer	30,000	0.00	12,629,323	2.00
				02-Mar-2018	Transfer	225,000	0.04	12,854,323	2.04
				09-Mar-2018	Transfer	65,000	0.01	12,919,323	2.05
				09-Mar-2018	Transfer	645,000	0.10	13,564,323	2.15
				09-Mar-2018	Transfer	110,000	0.02	13,674,323	2.17
				23-Mar-2018	Transfer	-65,000	-0.01	13,609,323	2.16
				23-Mar-2018	Transfer	-645,000	-0.10	12,964,323	2.05
				23-Mar-2018	Transfer	-290,000	-0.05	12,674,323	2.01
				30-Mar-2018	Transfer	-300,000	-0.05	12,374,323	1.96
		12,374,323	1.96	31-Mar-2018				12,374,323	1.96
4	Government Pension Fund Global	14,132,045	2.24	01-Apr-2017					
				24-Nov-2017	Transfer	-300,000	-0.05	13,832,045	2.19
				01-Dec-2017	Transfer	-282,395	-0.04	13,549,650	2.15
				08-Dec-2017	Transfer	-595,647	-0.09	12,954,003	2.05
				15-Dec-2017	Transfer	-311,958	-0.05	12,642,045	2.00
				22-Dec-2017	Transfer	-40,000	-0.01	12,602,045	2.00
				29-Dec-2017	Transfer	-70,000	-0.01	12,532,045	1.99
				12-Jan-2018	Transfer	-100,000	-0.02	12,432,045	1.97
				19-Jan-2018	Transfer	-300,000	-0.05	12,132,045	1.92
				26-Jan-2018	Transfer	-150,000	-0.02	11,982,045	1.90
		11,982,045	1.90	31-Mar-2018				11,982,045	1.90
5	UTI - Unit Scheme For Charitable And Religious Trusts And Registered Societies	5,057,840	0.80	01-Apr-2017					
	UTI - Long Term Equity Fund (Tax Saving)			14-Apr-2017	Transfer	90,000	0.01	5,147,840	0.82
	UTI - Top 100 Fund			14-Apr-2017	Transfer	-76,500	-0.01	5,071,340	0.80
	UTI - Mid Cap Fund			21-Apr-2017	Transfer	270,000	0.04	5,341,340	0.85
	UTI - Balanced Fund			21-Apr-2017	Transfer	-36,000	-0.01	5,305,340	0.84
	UTI - Spread Fund			28-Apr-2017	Transfer	180,000	0.03	5,485,340	0.87
	UTI - India Lifestyle Fund			09-Jun-2017	Transfer	100,000	0.02	5,585,340	0.88
	UTI - Retirement Benefit Pension Fund			09-Jun-2017	Transfer	1,200,000	0.19	6,785,340	1.08
	UTI - Childrens Career Balanced Plan			09-Jun-2017	Transfer	-27,000	0.00	6,758,340	1.07
	UTI - Wealth Builder Fund			09-Jun-2017	Transfer	375,000	0.06	7,133,340	1.13
				09-Jun-2017	Transfer	23,438	0.00	7,156,778	1.13

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		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
	UTI - Capital Protection Oriented Scheme - Series Iv - Iii (1105 Days)			09-Jun-2017	Transfer	17,919	0.00	7,174,697	1.14
	UTI - Capital Protection Oriented Scheme - Series V - I (1163 Days)			09-Jun-2017	Transfer	11,316	0.00	7,186,013	1.14
	UTI - Dual Advantage Fixed Term Fund Series I - Ii (1145 Days)			09-Jun-2017	Transfer	5,077	0.00	7,191,090	1.14
	UTI - Capital Protection Oriented Scheme - Series V - Ii (1135 Days)			09-Jun-2017	Transfer	15,662	0.00	7,206,752	1.14
	UTI - Dual Advantage Fixed Term Fund Series I - Iv (1099 Days)			09-Jun-2017	Transfer	48,389	0.01	7,255,141	1.15
	UTI - Dual Advantage Fixed Term Fund Series I - V (1099 Days)			09-Jun-2017	Transfer	17,843	0.00	7,272,984	1.15
	UTI - Capital Protection Oriented Scheme - Series Vi - I (1098 Days)			16-Jun-2017	Transfer	200,000	0.03	7,472,984	1.18
	UTI - Dual Advantage Fixed Term Fund Series Ii - I (1998 Days)			16-Jun-2017	Transfer	200,000	0.03	7,672,984	1.22
	UTI - Dual Advantage Fixed Term Fund Series Ii - Ii (1997 Days)			23-Jun-2017	Transfer	-57,306	-0.01	7,615,678	1.21
	UTI - Dual Advantage Fixed Term Fund Series Ii - Iii (1998 Days)			30-Jun-2017	Transfer	50,000	0.01	7,665,678	1.21
	UTI - Capital Protection Oriented Scheme - Series Vi - Iii (1098 Days)			30-Jun-2017	Transfer	200,000	0.03	7,865,678	1.25
	UTI - Dual Advantage Fixed Term Fund Series Ii - Iv (1997 Days)			30-Jun-2017	Transfer	372,893	0.06	8,238,571	1.31
	UTI - Capital Protection Oriented Scheme - Series Vii - I (1098 Days)			30-Jun-2017	Transfer	75,000	0.01	8,313,571	1.32
	UTI - Dual Advantage Fixed Term Fund Series Ii - V (1997 Days)			07-Jul-2017	Transfer	450,000	0.07	8,763,571	1.39
	UTI - Dual Advantage Fixed Term Fund Series Iii - I (1998 Days)			04-Aug-2017	Transfer	49,500	0.01	8,813,071	1.40
	UTI - Capital Protection Oriented Scheme - Series Vii - Iv (1278 Days)			11-Aug-2017	Transfer	-9,000	0.00	8,804,071	1.39
	UTI Capital Protection Oriented Scheme - Series Vii - V (1281 Days)			18-Aug-2017	Transfer	100,000	0.02	8,904,071	1.41
	UTI - Dual Advantage Fixed Term Fund Series Iii - Ii (1278 Days)			18-Aug-2017	Transfer	400,000	0.06	9,304,071	1.47
	UTI - Dual Advantage Fixed Term Fund Series Iii - Iii (1102 Days)			18-Aug-2017	Transfer	-18,000	0.00	9,286,071	1.47
	UTI - Capital Protection Oriented Scheme - Series Viii - I (1278 Days)			18-Aug-2017	Transfer	75,000	0.01	9,361,071	1.48
	UTI - Capital Protection Oriented Scheme - Series Viii - Ii (1831 Days)			18-Aug-2017	Transfer	60,480	0.01	9,421,551	1.49
	UTI - Capital Protection Oriented Scheme - Series Viii - Iv (1996 Days)			01-Sep-2017	Transfer	-6,533	0.00	9,415,018	1.49
				08-Sep-2017	Transfer	508,500	0.08	9,923,518	1.57
				15-Sep-2017	Transfer	-85,500	-0.01	9,838,018	1.56
				22-Sep-2017	Transfer	-11,089	0.00	9,826,929	1.56
				06-Oct-2017	Transfer	135,000	0.02	9,961,929	1.58
				31-Oct-2017	Transfer	-454,500	-0.07	9,507,429	1.51
				31-Oct-2017	Transfer	-5,431	0.00	9,501,998	1.51
				03-Nov-2017	Transfer	-126,000	-0.02	9,375,998	1.49
				24-Nov-2017	Transfer	-24,641	0.00	9,351,357	1.48
				08-Dec-2017	Transfer	148,500	0.02	9,499,857	1.51
				08-Dec-2017	Transfer	-97,978	-0.02	9,401,879	1.49
				12-Jan-2018	Transfer	22,500	0.00	9,424,379	1.49
				19-Jan-2018	Transfer	-148,500	-0.02	9,275,879	1.47
				26-Jan-2018	Transfer	-9,597	0.00	9,266,282	1.47
				26-Jan-2018	Transfer	616,500	0.10	9,882,782	1.57
				02-Feb-2018	Transfer	-185,273	-0.03	9,697,509	1.54
				02-Feb-2018	Transfer	-57,433	-0.01	9,640,076	1.53
				09-Feb-2018	Transfer	-18,000	0.00	9,622,076	1.52
				16-Feb-2018	Transfer	-24,825	0.00	9,597,251	1.52
				02-Mar-2018	Transfer	168,376	0.03	9,765,627	1.55
				02-Mar-2018	Transfer	-40,899	-0.01	9,724,728	1.54
				09-Mar-2018	Transfer	131,563	0.02	9,856,291	1.56
				09-Mar-2018	Transfer	-34,605	-0.01	9,821,686	1.56
				16-Mar-2018	Transfer	-67,500	-0.01	9,754,186	1.55
				16-Mar-2018	Transfer	-26,437	0.00	9,727,749	1.54

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		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
				23-Mar-2018	Transfer	-16,150	0.00	9,711,599	1.54
				30-Mar-2018	Transfer	61,720	0.01	9,773,319	1.55
				30-Mar-2018	Transfer	-13,649	0.00	9,759,670	1.55
				30-Mar-2018	Transfer	-13,939	0.00	9,745,731	1.54
		9,745,731	1.54	31-Mar-2018				9,745,731	1.54
6	First State Investments Icvc- Stewart Investors Asia Pacific Fund	13,695,283	2.17	01-Apr-2017					
				15-Dec-2017	Transfer	-2,021,621	-0.32	11,673,662	1.85
				12-Jan-2018	Transfer	-1,405,004	-0.22	10,268,658	1.63
				26-Jan-2018	Transfer	-1,190,945	-0.19	9,077,713	1.44
		9,077,713	1.44	31-Mar-2018				9,077,713	1.44
7	Tata Regular Savings Equity Fund	180,000	0.03	01-Apr-2017					
	Tata Balanced Fund			07-Apr-2017	Transfer	4,500	0.00	184,500	0.03
	Tata Equity Opportunities Fund			02-Jun-2017	Transfer	103,500	0.02	288,000	0.05
	Tata Retirement Savings Fund-Progressive Plan			14-Jul-2017	Transfer	825,000	0.13	1,113,000	0.18
	Tata Retirement Savings Fund-Moderate Plan			14-Jul-2017	Transfer	145,000	0.02	1,258,000	0.20
	Tata Retirement Savings Fund-Conservative Plan			14-Jul-2017	Transfer	85,000	0.01	1,343,000	0.21
	Tata Mutual Fund- Tata Equity P/E Fund			14-Jul-2017	Transfer	18,000	0.00	1,361,000	0.22
	Tata Mutual Fund - Tata India Tax Savings Fund			14-Jul-2017	Transfer	450,000	0.07	1,811,000	0.29
	Tata Offshore India Opportunities Scheme			14-Jul-2017	Transfer	1,050,000	0.17	2,861,000	0.45
	Tata Offshore India Sharia Scheme			14-Jul-2017	Transfer	355,000	0.06	3,216,000	0.51
	Tata Mid Cap Growth Fund			14-Jul-2017	Transfer	200,000	0.03	3,416,000	0.54
	Tata Ethical Fund			21-Jul-2017	Transfer	370,000	0.06	3,786,000	0.60
	Tata India Consumer Fund			21-Jul-2017	Transfer	65,000	0.01	3,851,000	0.61
	Tata Offshore India Opportunities Scheme			21-Jul-2017	Transfer	40,000	0.01	3,891,000	0.62
	Tata Offshore India Sharia Scheme			21-Jul-2017	Transfer	535,363	0.08	4,426,363	0.70
				28-Jul-2017	Transfer	10,000	0.00	4,436,363	0.70
				28-Jul-2017	Transfer	200,000	0.03	4,636,363	0.73
				28-Jul-2017	Transfer	14,637	0.00	4,651,000	0.74
				28-Jul-2017	Transfer	50,000	0.01	4,701,000	0.74
				04-Aug-2017	Transfer	63,000	0.01	4,764,000	0.75
				04-Aug-2017	Transfer	15,000	0.00	4,779,000	0.76
				04-Aug-2017	Transfer	15,000	0.00	4,794,000	0.76
				25-Aug-2017	Transfer	50,000	0.01	4,844,000	0.77
				25-Aug-2017	Transfer	250,000	0.04	5,094,000	0.81
				25-Aug-2017	Transfer	50,000	0.01	5,144,000	0.82
				01-Sep-2017	Transfer	12,000	0.00	5,156,000	0.82
				08-Sep-2017	Transfer	13,000	0.00	5,169,000	0.82
				08-Sep-2017	Transfer	42,000	0.01	5,211,000	0.83
				08-Sep-2017	Transfer	120,000	0.02	5,331,000	0.84
				08-Sep-2017	Transfer	50,000	0.01	5,381,000	0.85
				15-Sep-2017	Transfer	12,000	0.00	5,393,000	0.85
				15-Sep-2017	Transfer	75,000	0.01	5,468,000	0.87
				29-Sep-2017	Transfer	500,000	0.08	5,968,000	0.95
				29-Sep-2017	Transfer	55,000	0.01	6,023,000	0.95
				29-Sep-2017	Transfer	55,000	0.01	6,078,000	0.96
				29-Sep-2017	Transfer	5,000	0.00	6,083,000	0.96

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		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
				29-Sep-2017	Transfer	70,000	0.01	6,153,000	0.97
				06-Oct-2017	Transfer	94,500	0.01	6,247,500	0.99
				13-Oct-2017	Transfer	5,000	0.00	6,252,500	0.99
				20-Oct-2017	Transfer	300,000	0.05	6,552,500	1.04
				27-Oct-2017	Transfer	10,000	0.00	6,562,500	1.04
				27-Oct-2017	Transfer	18,000	0.00	6,580,500	1.04
				27-Oct-2017	Transfer	500,000	0.08	7,080,500	1.12
				27-Oct-2017	Transfer	75,000	0.01	7,155,500	1.13
				31-Oct-2017	Transfer	500,000	0.08	7,655,500	1.21
				10-Nov-2017	Transfer	25,000	0.00	7,680,500	1.22
				24-Nov-2017	Transfer	-18,000	0.00	7,662,500	1.21
				01-Dec-2017	Transfer	-1,600,000	-0.25	6,062,500	0.96
				01-Dec-2017	Transfer	-104,000	-0.02	5,958,500	0.94
				01-Dec-2017	Transfer	1,600,000	0.25	7,558,500	1.20
				01-Dec-2017	Transfer	104,000	0.02	7,662,500	1.21
				08-Dec-2017	Transfer	-800,000	-0.13	6,862,500	1.09
				08-Dec-2017	Transfer	-240,000	-0.04	6,622,500	1.05
				08-Dec-2017	Transfer	-65,000	-0.01	6,557,500	1.04
				08-Dec-2017	Transfer	-320,000	-0.05	6,237,500	0.99
				15-Dec-2017	Transfer	-22,500	0.00	6,215,000	0.98
				29-Dec-2017	Transfer	-2,000	0.00	6,213,000	0.98
				12-Jan-2018	Transfer	-3,000	0.00	6,210,000	0.98
				19-Jan-2018	Transfer	-103,500	-0.02	6,106,500	0.97
				19-Jan-2018	Transfer	-55,000	-0.01	6,051,500	0.96
				02-Feb-2018	Transfer	40,500	0.01	6,092,000	0.97
				02-Feb-2018	Transfer	15,000	0.00	6,107,000	0.97
				09-Feb-2018	Transfer	40,000	0.01	6,147,000	0.97
				09-Feb-2018	Transfer	50,000	0.01	6,197,000	0.98
				16-Feb-2018	Transfer	150,000	0.02	6,347,000	1.01
				09-Mar-2018	Transfer	50,000	0.01	6,397,000	1.01
				09-Mar-2018	Transfer	180,000	0.03	6,577,000	1.04
				16-Mar-2018	Transfer	20,000	0.00	6,597,000	1.05
				23-Mar-2018	Transfer	15,000	0.00	6,612,000	1.05
				23-Mar-2018	Transfer	20,000	0.00	6,632,000	1.05
				23-Mar-2018	Transfer	2,000	0.00	6,634,000	1.05
				23-Mar-2018	Transfer	50,000	0.01	6,684,000	1.06
				23-Mar-2018	Transfer	13,000	0.00	6,697,000	1.06
		6,697,000	1.06	31-Mar-2018				6,697,000	1.06
8	NPS Trust- A/C Lic Pension Fund Scheme - Central Govt	5,582,540	0.88	01-Apr-2017					
	NPS Trust- A/C Uti Retirement Solutions Pension Fund Scheme - Central Govt			14-Apr-2017	Transfer	45,000	0.01	5,627,540	0.89
				14-Apr-2017	Transfer	70,000	0.01	5,697,540	0.90
	NPS Trust- A/C Uti Retirement Solutions Pension Fund Scheme E - Tier I			28-Apr-2017	Transfer	10,000	0.00	5,707,540	0.90
				28-Apr-2017	Transfer	250	0.00	5,707,790	0.90
	NPS Trust- A/C Lic Pension Fund Scheme - State Govt			09-Jun-2017	Transfer	-50,000	-0.01	5,657,790	0.90
	NPS Trust- A/C Uti Retirement Solutions Pension Fund Scheme - State Govt			09-Jun-2017	Transfer	417,681	0.07	6,075,471	0.96
				09-Jun-2017	Transfer	20,000	0.00	6,095,471	0.97

SL. No	Name of the Shareholder	Shareholding		Date	Reason	Increase / Decrease in shareholding	% of total shares of the Company	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
	NPS Trust- A/C Uti Retirement Solutions Scheme E - Tier li			09-Jun-2017	Transfer	-50,000	-0.01	6,045,471	0.96
	NPS Trust A/C - Uti Retirement Solutions Limited - Nps Lite Scheme -Govt. Pattern			09-Jun-2017	Transfer	485,523	0.08	6,530,994	1.03
				09-Jun-2017	Transfer	-20,000	0.00	6,510,994	1.03
	NPS Trust - A/C Lic Pension Fund Scheme - Corporate Cg			09-Jun-2017	Transfer	-2,000	0.00	6,508,994	1.03
	NPS Trust- A/C Lic Pension Fund Scheme E - Tier I			09-Jun-2017	Transfer	-150	0.00	6,508,844	1.03
	NPS Trust- A/C Lic Pension Fund Scheme E - Tier li			16-Jun-2017	Transfer	-25,000	0.00	6,483,844	1.03
	NPS Trust - A/C Uti Retirement Solutions Ltd Scheme - Atal Pension Yojana (Apy)			16-Jun-2017	Transfer	130,000	0.02	6,613,844	1.05
				16-Jun-2017	Transfer	-25,000	0.00	6,588,844	1.04
				16-Jun-2017	Transfer	130,000	0.02	6,718,844	1.06
				16-Jun-2017	Transfer	-4,000	0.00	6,714,844	1.06
				16-Jun-2017	Transfer	-75	0.00	6,714,769	1.06
				16-Jun-2017	Transfer	19,500	0.00	6,734,269	1.07
				23-Jun-2017	Transfer	-100,000	-0.02	6,634,269	1.05
				23-Jun-2017	Transfer	-92,192	-0.01	6,542,077	1.04
				23-Jun-2017	Transfer	-2,000	0.00	6,540,077	1.04
				07-Jul-2017	Transfer	130,000	0.02	6,670,077	1.06
				07-Jul-2017	Transfer	130,000	0.02	6,800,077	1.08
				25-Aug-2017	Transfer	-2,000	0.00	6,798,077	1.08
				01-Sep-2017	Transfer	15,000	0.00	6,813,077	1.08
				01-Sep-2017	Transfer	150,000	0.02	6,963,077	1.10
				01-Sep-2017	Transfer	2,500	0.00	6,965,577	1.10
				01-Sep-2017	Transfer	15,000	0.00	6,980,577	1.11
				01-Dec-2017	Transfer	-166,885	-0.03	6,813,692	1.08
				01-Dec-2017	Transfer	-91,046	-0.01	6,722,646	1.07
				22-Dec-2017	Transfer	-170,000	-0.03	6,552,646	1.04
				29-Dec-2017	Transfer	-100,000	-0.02	6,452,646	1.02
		6,452,646	1.02	31-Mar-2018				6,452,646	1.02
9	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Advantage Fund	1,053,000	0.17	01-Apr-2017					
				14-Apr-2017	Transfer	49,500	0.01	1,102,500	0.17
	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Enhanced Arbitrage Fund			28-Apr-2017	Transfer	225,000	0.04	1,327,500	0.21
				07-Jul-2017	Transfer	-405,000	-0.06	922,500	0.15
	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life India Gennext Fund			21-Jul-2017	Transfer	150,000	0.02	1,072,500	0.17
				28-Jul-2017	Transfer	900,000	0.14	1,972,500	0.31
	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Midcap Fund			28-Jul-2017	Transfer	80,000	0.01	2,052,500	0.33
				01-Sep-2017	Transfer	100,000	0.02	2,152,500	0.34
	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Pure Value Fund			08-Sep-2017	Transfer	700,000	0.11	2,852,500	0.45
				15-Sep-2017	Transfer	800,000	0.13	3,652,500	0.58
	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Resurgent India Fund - Series 3			13-Oct-2017	Transfer	100,000	0.02	3,752,500	0.59
				20-Oct-2017	Transfer	100,000	0.02	3,852,500	0.61
	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Resurgent India Fund - Series 4			27-Oct-2017	Transfer	100,000	0.02	3,952,500	0.63
				03-Nov-2017	Transfer	700,000	0.11	4,652,500	0.74
	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Resurgent India Fund - Series 5			10-Nov-2017	Transfer	286,500	0.05	4,939,000	0.78
				17-Nov-2017	Transfer	1,127,000	0.18	6,066,000	0.96
				17-Nov-2017	Transfer	1,000,000	0.16	7,066,000	1.12
				24-Nov-2017	Transfer	-250,000	-0.04	6,816,000	1.08

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		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
				22-Dec-2017	Transfer	330,000	0.05	7,146,000	1.13
				05-Jan-2018	Transfer	300,000	0.05	7,446,000	1.18
				05-Jan-2018	Transfer	100,000	0.02	7,546,000	1.20
				12-Jan-2018	Transfer	67,500	0.01	7,613,500	1.21
				19-Jan-2018	Transfer	350,000	0.06	7,963,500	1.26
				19-Jan-2018	Transfer	500,000	0.08	8,463,500	1.34
				02-Feb-2018	Transfer	135,000	0.02	8,598,500	1.36
				09-Feb-2018	Transfer	236,000	0.04	8,834,500	1.40
				09-Feb-2018	Transfer	-1,000,000	-0.16	7,834,500	1.24
				02-Mar-2018	Transfer	462,000	0.07	8,296,500	1.31
				09-Mar-2018	Transfer	-500,000	-0.08	7,796,500	1.24
				09-Mar-2018	Transfer	-1,000,000	-0.16	6,796,500	1.08
				09-Mar-2018	Transfer	-1,121,000	-0.18	5,675,500	0.90
				23-Mar-2018	Transfer	20,000	0.00	5,695,500	0.90
		5,695,500	0.90	31-Mar-2018				5,695,500	0.90
10	Sundaram Mutual Fund A/C Sundaram Select Midcap	2,482,590	0.39	01-Apr-2017					
	Sundaram Mutual Fund A/C Sundaram Rural India Fund			07-Apr-2017	Transfer	1,120,000	0.18	3,602,590	0.57
	Sundaram Mutual Fund A/C Sundaram Top 100 Series I			07-Apr-2017	Transfer	500,000	0.08	4,102,590	0.65
	Sundaram Mutual Fund A/C Sundaram Top 100 Series Ii			14-Apr-2017	Transfer	600,000	0.10	4,702,590	0.75
	Sundaram Mutual Fund A/C Sundaram Top 100 Series Iii			14-Apr-2017	Transfer	50,000	0.01	4,752,590	0.75
	Sundaram Mutual Fund A/C Sundaram Top 100 Series Iv			21-Apr-2017	Transfer	50,000	0.01	4,802,590	0.76
	Sundaram Mutual Fund A/C Sundaram Top 100 Series - V			28-Apr-2017	Transfer	50,000	0.01	4,852,590	0.77
	Sundaram Mutual Fund A/C Sundaram Select Small Cap - Series - V			12-May-2017	Transfer	50,000	0.01	4,902,590	0.78
	Sundaram Mutual Fund A/C Sundaram Select Small Cap - Series - Vi			19-May-2017	Transfer	50,000	0.01	4,952,590	0.78
				26-May-2017	Transfer	50,000	0.01	5,002,590	0.79
				26-May-2017	Transfer	-64,228	-0.01	4,938,362	0.78
				02-Jun-2017	Transfer	100,000	0.02	5,038,362	0.80
				02-Jun-2017	Transfer	-36,094	-0.01	5,002,268	0.79
				02-Jun-2017	Transfer	-34,741	-0.01	4,967,527	0.79
				02-Jun-2017	Transfer	-34,529	-0.01	4,932,998	0.78
				16-Jun-2017	Transfer	169,954	0.03	5,102,952	0.81
				16-Jun-2017	Transfer	50,000	0.01	5,152,952	0.82
				30-Jun-2017	Transfer	100,000	0.02	5,252,952	0.83
				14-Jul-2017	Transfer	-50,000	-0.01	5,202,952	0.82
				21-Jul-2017	Transfer	-16,875	0.00	5,186,077	0.82
				28-Jul-2017	Transfer	-27,000	0.00	5,159,077	0.82
				18-Aug-2017	Transfer	-100,000	-0.02	5,059,077	0.80
				01-Sep-2017	Transfer	50,000	0.01	5,109,077	0.81
				27-Oct-2017	Transfer	125,000	0.02	5,234,077	0.83
				03-Nov-2017	Transfer	100,000	0.02	5,334,077	0.85
				10-Nov-2017	Transfer	-75,000	-0.01	5,259,077	0.83
				24-Nov-2017	Transfer	235,887	0.04	5,494,964	0.87
				24-Nov-2017	Transfer	45,929	0.01	5,540,893	0.88
				24-Nov-2017	Transfer	20,284	0.00	5,561,177	0.88
				09-Feb-2018	Transfer	-4,964	0.00	5,556,213	0.88
				09-Feb-2018	Transfer	22,449	0.00	5,578,662	0.88
		5,578,662	0.88	31-Mar-2018				5,578,662	0.88

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		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
11	Dimensional Emerging Markets Value Fund	6,235,871	0.99	01-Apr-2017					
				07-Apr-2017	Transfer	-79,952	-0.01	6,155,919	0.98
				14-Apr-2017	Transfer	-71,129	-0.01	6,084,790	0.96
				21-Apr-2017	Transfer	-22,668	0.00	6,062,122	0.96
				28-Apr-2017	Transfer	-172,347	-0.03	5,889,775	0.93
				05-May-2017	Transfer	-52,886	-0.01	5,836,889	0.92
				12-May-2017	Transfer	-76,820	-0.01	5,760,069	0.91
				19-May-2017	Transfer	-114,154	-0.02	5,645,915	0.89
				26-May-2017	Transfer	-55,165	-0.01	5,590,750	0.89
				02-Jun-2017	Transfer	-55,513	-0.01	5,535,237	0.88
				16-Jun-2017	Transfer	-107,258	-0.02	5,427,979	0.86
				30-Jun-2017	Transfer	-115,877	-0.02	5,312,102	0.84
				07-Jul-2017	Transfer	-75,303	-0.01	5,236,799	0.83
		5,236,799	0.83	31-Mar-2018				5,236,799	0.83
12	General Insurance Corporation Of India	5,502,120	0.87	01-Apr-2017					
				19-May-2017	Transfer	-50,000	-0.01	5,452,120	0.86
				27-Oct-2017	Transfer	-75,000	-0.01	5,377,120	0.85
				31-Oct-2017	Transfer	-25,000	0.00	5,352,120	0.85
				24-Nov-2017	Transfer	-100,000	-0.02	5,252,120	0.83
				22-Dec-2017	Transfer	-150,000	-0.02	5,102,120	0.81
				29-Dec-2017	Transfer	-60,000	-0.01	5,042,120	0.80
				09-Feb-2018	Transfer	-40,000	-0.01	5,002,120	0.79
				16-Feb-2018	Transfer	-43,200	-0.01	4,958,920	0.79
				23-Feb-2018	Transfer	-56,800	-0.01	4,902,120	0.78
				4,902,120	0.78	31-Mar-2018			
13	First State Investments Icvc- Stewart Investors Global Emerging Markets Leaders Fund	0	0.00	01-Apr-2017					
				24-Nov-2017	Transfer	1,988,620	0.32	1,988,620	0.32
				02-Mar-2018	Transfer	618,559	0.10	2,607,179	0.41
				09-Mar-2018	Transfer	2,048,544	0.32	4,655,723	0.74
				4,655,723	0.74	31-Mar-2018			
14	Kotak Midcap Kotak Equity Arbitrage Fund Kotak Equity Savings Fund	3,753,000	0.59	01-Apr-2017					
				07-Apr-2017	Transfer	-27,000	0.00	3,726,000	0.59
				14-Apr-2017	Transfer	-99,000	-0.02	3,627,000	0.57
				21-Apr-2017	Transfer	-130,500	-0.02	3,496,500	0.55
				26-May-2017	Transfer	-40,500	-0.01	3,456,000	0.55
				02-Jun-2017	Transfer	-288,000	-0.05	3,168,000	0.50
				09-Jun-2017	Transfer	-189,000	-0.03	2,979,000	0.47
				16-Jun-2017	Transfer	13,500	0.00	2,992,500	0.47
				23-Jun-2017	Transfer	76,500	0.01	3,069,000	0.49
				30-Jun-2017	Transfer	-121,500	-0.02	2,947,500	0.47
				07-Jul-2017	Transfer	-54,000	-0.01	2,893,500	0.46
				14-Jul-2017	Transfer	-427,500	-0.07	2,466,000	0.39
				14-Jul-2017	Transfer	-67,500	-0.01	2,398,500	0.38
		21-Jul-2017	Transfer	4,500	0.00	2,403,000	0.38		
		28-Jul-2017	Transfer	499,500	0.08	2,902,500	0.46		

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		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
				04-Aug-2017	Transfer	130,500	0.02	3,033,000	0.48
				07-Aug-2017	Transfer	-13,500	0.00	3,019,500	0.48
				11-Aug-2017	Transfer	-180,000	-0.03	2,839,500	0.45
				18-Aug-2017	Transfer	-906,000	-0.14	1,933,500	0.31
				25-Aug-2017	Transfer	-70,500	-0.01	1,863,000	0.30
				01-Sep-2017	Transfer	540,000	0.09	2,403,000	0.38
				08-Sep-2017	Transfer	-27,000	0.00	2,376,000	0.38
				15-Sep-2017	Transfer	-382,500	-0.06	1,993,500	0.32
				22-Sep-2017	Transfer	-211,500	-0.03	1,782,000	0.28
				29-Sep-2017	Transfer	-45,000	-0.01	1,737,000	0.28
				06-Oct-2017	Transfer	324,000	0.05	2,061,000	0.33
				13-Oct-2017	Transfer	351,000	0.06	2,412,000	0.38
				20-Oct-2017	Transfer	774,000	0.12	3,186,000	0.50
				27-Oct-2017	Transfer	432,000	0.07	3,618,000	0.57
				27-Oct-2017	Transfer	117,000	0.02	3,735,000	0.59
				31-Oct-2017	Transfer	-740,470	-0.12	2,994,530	0.47
				03-Nov-2017	Transfer	-222,530	-0.04	2,772,000	0.44
				03-Nov-2017	Transfer	-18,000	0.00	2,754,000	0.44
				10-Nov-2017	Transfer	-679,500	-0.11	2,074,500	0.33
				10-Nov-2017	Transfer	-18,000	0.00	2,056,500	0.33
				17-Nov-2017	Transfer	-301,500	-0.05	1,755,000	0.28
				24-Nov-2017	Transfer	-220,500	-0.03	1,534,500	0.24
				01-Dec-2017	Transfer	148,500	0.02	1,683,000	0.27
				08-Dec-2017	Transfer	4,500	0.00	1,687,500	0.27
				22-Dec-2017	Transfer	121,500	0.02	1,809,000	0.29
				29-Dec-2017	Transfer	40,500	0.01	1,849,500	0.29
				05-Jan-2018	Transfer	252,000	0.04	2,101,500	0.33
				12-Jan-2018	Transfer	13,500	0.00	2,115,000	0.34
				19-Jan-2018	Transfer	441,000	0.07	2,556,000	0.40
				26-Jan-2018	Transfer	229,500	0.04	2,785,500	0.44
				02-Feb-2018	Transfer	256,500	0.04	3,042,000	0.48
				09-Feb-2018	Transfer	-186,500	-0.03	2,855,500	0.45
				16-Feb-2018	Transfer	132,500	0.02	2,988,000	0.47
				23-Feb-2018	Transfer	400,000	0.06	3,388,000	0.54
				23-Feb-2018	Transfer	747,000	0.12	4,135,000	0.66
				23-Feb-2018	Transfer	229,500	0.04	4,364,500	0.69
				02-Mar-2018	Transfer	261,000	0.04	4,625,500	0.73
				09-Mar-2018	Transfer	-33,672	-0.01	4,591,828	0.73
				16-Mar-2018	Transfer	2,172	0.00	4,594,000	0.73
				23-Mar-2018	Transfer	25,000	0.00	4,619,000	0.73
				23-Mar-2018	Transfer	9,000	0.00	4,628,000	0.73
		4,628,000	0.73	31-Mar-2018				4,628,000	0.73
15	Retail Employees Superannuation Pty. Limited As Trustee For Retail Employees Superannuation Trust	4,759,014	0.75	01-Apr-2017					
				02-Feb-2018	Transfer	-197,324	-0.03	4,561,690	0.72
		4,561,690	0.72	31-Mar-2018				4,561,690	0.72

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		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
16	L&T Mutual Fund Trustee Ltd- L&T Equity Savings Fund	454,500	0.07	01-Apr-2017					
	L&T Mutual Fund Trustee Ltd-L&T India Special Situations Fund			14-Apr-2017	Transfer	-31,500	0.00	423,000	0.07
	L&T Mutual Fund Trustee Ltd-L&T Dynamic Equity Fund			21-Apr-2017	Transfer	-31,500	0.00	391,500	0.06
	L&T Mutual Fund Trustee Ltd-L&T India Value Fund			26-May-2017	Transfer	-94,500	-0.01	297,000	0.05
	L&T Mutual Fund Trustee Limited-L&T Arbitrage Opportunities Fund			26-May-2017	Transfer	-117,000	-0.02	180,000	0.03
				23-Jun-2017	Transfer	90,000	0.01	270,000	0.04
				14-Jul-2017	Transfer	-121,500	-0.02	148,500	0.02
				14-Jul-2017	Transfer	-76,500	-0.01	72,000	0.01
				21-Jul-2017	Transfer	4,500	0.00	76,500	0.01
				18-Aug-2017	Transfer	-72,000	-0.01	4,500	0.00
				18-Aug-2017	Transfer	-4,500	0.00	0	0.00
				01-Sep-2017	Transfer	4,500	0.00	4,500	0.00
				15-Sep-2017	Transfer	-4,500	0.00	0	0.00
				22-Sep-2017	Transfer	14,000	0.00	14,000	0.00
				22-Sep-2017	Transfer	1,300,000	0.21	1,314,000	0.21
				29-Sep-2017	Transfer	598,000	0.09	1,912,000	0.30
				29-Sep-2017	Transfer	4,500	0.00	1,916,500	0.30
				06-Oct-2017	Transfer	269,000	0.04	2,185,500	0.35
				13-Oct-2017	Transfer	681,700	0.11	2,867,200	0.45
				27-Oct-2017	Transfer	17,500	0.00	2,884,700	0.46
				27-Oct-2017	Transfer	93,325	0.01	2,978,025	0.47
				27-Oct-2017	Transfer	121,500	0.02	3,099,525	0.49
				17-Nov-2017	Transfer	-9,000	0.00	3,090,525	0.49
				17-Nov-2017	Transfer	-126,000	-0.02	2,964,525	0.47
				08-Dec-2017	Transfer	45,000	0.01	3,009,525	0.48
				26-Jan-2018	Transfer	148,500	0.02	3,158,025	0.50
			09-Feb-2018	Transfer	21,300	0.00	3,179,325	0.50	
			09-Feb-2018	Transfer	465,000	0.07	3,644,325	0.58	
			09-Feb-2018	Transfer	912,375	0.14	4,556,700	0.72	
			09-Feb-2018	Transfer	45,000	0.01	4,601,700	0.73	
			23-Feb-2018	Transfer	67,500	0.01	4,669,200	0.74	
			23-Feb-2018	Transfer	85,500	0.01	4,754,700	0.75	
			30-Mar-2018	Transfer	-232,500	-0.04	4,522,200	0.72	
		4,522,200	0.72	31-Mar-2018				4,522,200	0.72
17	JM Financial Mutual Fund - Balanced Fund	3,154,500	0.50	01-Apr-2017					
	JM Financial Mutual Fund –			07-Jul-2017	Transfer	-315,000	-0.05	2,839,500	0.45
	JM Arbitrage Advantage Fund			21-Jul-2017	Transfer	630,000	0.10	3,469,500	0.55
				28-Jul-2017	Transfer	85,500	0.01	3,555,000	0.56
				01-Sep-2017	Transfer	315,000	0.05	3,870,000	0.61
				08-Sep-2017	Transfer	-99,000	-0.02	3,771,000	0.60
				15-Sep-2017	Transfer	-306,000	-0.05	3,465,000	0.55
				03-Nov-2017	Transfer	-3,465,000	-0.55	0	0.00
				10-Nov-2017	Transfer	3,465,000	0.55	3,465,000	0.55
				09-Mar-2018	Transfer	-549,000	-0.09	2,916,000	0.46
				16-Mar-2018	Transfer	-85,500	-0.01	2,830,500	0.45
				23-Mar-2018	Transfer	679,500	0.11	3,510,000	0.56
			30-Mar-2018	Transfer	247,500	0.04	3,757,500	0.60	
		3,757,500	0.60	31-Mar-2018				3,757,500	0.60

SL. No	Name of the Shareholder	Shareholding		Date	Reason	Increase / Decrease in shareholding	% of total shares of the Company	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
18	The New India Assurance Company Limited	5,847,945	0.93	01-Apr-2017					
				21-Jul-2017	Transfer	-118,351	-0.02	5,729,594	0.91
				28-Jul-2017	Transfer	-332,132	-0.05	5,397,462	0.86
				04-Aug-2017	Transfer	-49,517	-0.01	5,347,945	0.85
				25-Aug-2017	Transfer	-110,000	-0.02	5,237,945	0.83
				01-Sep-2017	Transfer	-190,000	-0.03	5,047,945	0.80
				08-Sep-2017	Transfer	-296,016	-0.05	4,751,929	0.75
				15-Sep-2017	Transfer	-3,984	0.00	4,747,945	0.75
				29-Sep-2017	Transfer	-717,048	-0.11	4,030,897	0.64
				06-Oct-2017	Transfer	-271,767	-0.04	3,759,130	0.60
				08-Dec-2017	Transfer	-50,000	-0.01	3,709,130	0.59
				15-Dec-2017	Transfer	-116,900	-0.02	3,592,230	0.57
				22-Dec-2017	Transfer	-33,100	-0.01	3,559,130	0.56
				31-Mar-2018				3,559,130	0.56
19	Emerging Markets Core Equity Portfolio (The Portfolio) of Dfa Investment Dimensions Group Inc. (Dfaidg)	3,415,341	0.54	01-Apr-2017	No Movement during the year				
		3,415,341	0.54	31-Mar-2018				3,415,341	0.54
20	Mirae Asset India Mid Cap Equity Fund	0	0.00	01-Apr-2017					
				08-Dec-2017	Transfer	8,712	0.00	8,712	0.00
				15-Dec-2017	Transfer	868,021	0.14	876,733	0.14
				22-Dec-2017	Transfer	547,434	0.09	1,424,167	0.23
				29-Dec-2017	Transfer	891,678	0.14	2,315,845	0.37
				05-Jan-2018	Transfer	239,824	0.04	2,555,669	0.40
				26-Jan-2018	Transfer	271,219	0.04	2,826,888	0.45
				09-Feb-2018	Transfer	110,280	0.02	2,937,168	0.47
				09-Mar-2018	Transfer	369,231	0.06	3,306,399	0.52
				31-Mar-2018				3,306,399	0.52
21	Ishares Core Emerging Markets Mauritius Co	2,174,229	0.34	01-Apr-2017					
				07-Apr-2017	Transfer	27,840	0.00	2,202,069	0.35
				14-Apr-2017	Transfer	2,320	0.00	2,204,389	0.35
				21-Apr-2017	Transfer	23,200	0.00	2,227,589	0.35
				28-Apr-2017	Transfer	45,213	0.01	2,272,802	0.36
				05-May-2017	Transfer	23,210	0.00	2,296,012	0.36
				12-May-2017	Transfer	58,025	0.01	2,354,037	0.37
				19-May-2017	Transfer	51,062	0.01	2,405,099	0.38
				02-Jun-2017	Transfer	168,772	0.03	2,573,871	0.41
				09-Jun-2017	Transfer	28,358	0.00	2,602,229	0.41
				16-Jun-2017	Transfer	46,816	0.01	2,649,045	0.42
				30-Jun-2017	Transfer	12,275	0.00	2,661,320	0.42
				07-Jul-2017	Transfer	9,820	0.00	2,671,140	0.42
				14-Jul-2017	Transfer	2,455	0.00	2,673,595	0.42
				21-Jul-2017	Transfer	14,730	0.00	2,688,325	0.43
				28-Jul-2017	Transfer	22,095	0.00	2,710,420	0.43
				04-Aug-2017	Transfer	44,190	0.01	2,754,610	0.44
		07-Aug-2017	Transfer	14,730	0.00	2,769,340	0.44		
		11-Aug-2017	Transfer	9,820	0.00	2,779,160	0.44		

SL. No	Name of the Shareholder	Shareholding		Date	Reason	Increase / Decrease in shareholding	% of total shares of the Company	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
				01-Sep-2017	Transfer	12,275	0.00	2,791,435	0.44
				08-Sep-2017	Transfer	7,365	0.00	2,798,800	0.44
				15-Sep-2017	Transfer	31,915	0.01	2,830,715	0.45
				22-Sep-2017	Transfer	17,185	0.00	2,847,900	0.45
				06-Oct-2017	Transfer	4,910	0.00	2,852,810	0.45
				13-Oct-2017	Transfer	71,195	0.01	2,924,005	0.46
				20-Oct-2017	Transfer	41,735	0.01	2,965,740	0.47
				03-Nov-2017	Transfer	9,820	0.00	2,975,560	0.47
				24-Nov-2017	Transfer	12,275	0.00	2,987,835	0.47
				01-Dec-2017	Transfer	12,275	0.00	3,000,110	0.48
				15-Dec-2017	Transfer	14,730	0.00	3,014,840	0.48
				22-Dec-2017	Transfer	4,910	0.00	3,019,750	0.48
				29-Dec-2017	Transfer	12,075	0.00	3,031,825	0.48
				12-Jan-2018	Transfer	89,355	0.01	3,121,180	0.49
				19-Jan-2018	Transfer	67,620	0.01	3,188,800	0.51
				26-Jan-2018	Transfer	21,735	0.00	3,210,535	0.51
				02-Feb-2018	Transfer	38,640	0.01	3,249,175	0.51
				23-Feb-2018	Transfer	89,355	0.01	3,338,530	0.53
				02-Mar-2018	Transfer	-180,202	-0.03	3,158,328	0.50
				09-Mar-2018	Transfer	4,554	0.00	3,162,882	0.50
				16-Mar-2018	Transfer	66,033	0.01	3,228,915	0.51
				23-Mar-2018	Transfer	6,831	0.00	3,235,746	0.51
				30-Mar-2018	Transfer	13,662	0.00	3,249,408	0.51
		3,249,408	0.51	31-Mar-2018				3,249,408	0.51
22	The Emerging Markets Small Cap Series of the Dfa Investment Trust Company	3,071,328	0.49	01-Apr-2017					
				09-Jun-2017	Transfer	-116,367	-0.02	2,954,961	0.47
				16-Jun-2017	Transfer	-37,200	-0.01	2,917,761	0.46
				21-Jul-2017	Transfer	-88,845	-0.01	2,828,916	0.45
				28-Jul-2017	Transfer	-50,492	-0.01	2,778,424	0.44
		2,778,424	0.44	31-Mar-2018				2,778,424	0.44
23	The State Teachers Retirement System of Ohio	3,621,618	0.57	01-Apr-2017					
				25-Aug-2017	Transfer	-475,248	-0.08	3,146,370	0.50
				15-Sep-2017	Transfer	-611,763	-0.10	2,534,607	0.40
				22-Sep-2017	Transfer	-137,542	-0.02	2,397,065	0.38
				27-Oct-2017	Transfer	-514,424	-0.08	1,882,641	0.30
				02-Feb-2018	Transfer	-97,268	-0.02	1,785,373	0.28
		1,785,373	0.28	31-Mar-2018				1,785,373	0.28
24	ICICI Prudential Mutual Fund	3,893,870	0.62	01-Apr-2017					
	ICICI Prudential Equity Arbitrage Fund			07-Jul-2017	Transfer	-774,000	-0.12	3,119,870	0.49
	ICICI Prudential Midcap Select Iwin Etf			15-Sep-2017	Transfer	-688,500	-0.11	2,431,370	0.39
	ICICI Prudential Equity Income Fund			22-Sep-2017	Transfer	-720,000	-0.11	1,711,370	0.27
				24-Nov-2017	Transfer	-243,000	-0.04	1,468,370	0.23
				08-Dec-2017	Transfer	382,500	0.06	1,850,870	0.29
				15-Dec-2017	Transfer	184,500	0.03	2,035,370	0.32
				29-Dec-2017	Transfer	-1,467,000	-0.23	568,370	0.09
				05-Jan-2018	Transfer	9,000	0.00	577,370	0.09

SL. No	Name of the Shareholder	Shareholding		Date	Reason	Increase / Decrease in shareholding	% of total shares of the Company	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
				19-Jan-2018	Transfer	108,000	0.02	685,370	0.11
				26-Jan-2018	Transfer	684,000	0.11	1,369,370	0.22
				02-Feb-2018	Transfer	54,000	0.01	1,423,370	0.23
				23-Mar-2018	Transfer	12,286	0.00	1,435,656	0.23
		1,435,656	0.23	31-Mar-2018				1,435,656	0.23
25	National Insurance Company Ltd	3,422,230	0.54	01-Apr-2017					
				16-Jun-2017	Transfer	-150,000	-0.02	3,272,230	0.52
				14-Jul-2017	Transfer	-150,000	-0.02	3,122,230	0.49
				18-Aug-2017	Transfer	-300,000	-0.05	2,822,230	0.45
				01-Sep-2017	Transfer	-100,000	-0.02	2,722,230	0.43
				08-Sep-2017	Transfer	-200,000	-0.03	2,522,230	0.40
				13-Oct-2017	Transfer	-400,000	-0.06	2,122,230	0.34
				10-Nov-2017	Transfer	-300,000	-0.05	1,822,230	0.29
				08-Dec-2017	Transfer	-200,000	-0.03	1,622,230	0.26
				19-Jan-2018	Transfer	-50,000	-0.01	1,572,230	0.25
				16-Mar-2018	Transfer	-300,000	-0.05	1,272,230	0.20
		1,272,230	0.20	31-Mar-2018				1,272,230	0.20
26	IDFC Arbitrage Fund IDFC Arbitrage Plus Fund IDFC Dynamic Equity Fund	4,005,000	0.63	01-Apr-2017					
				14-Apr-2017	Transfer	-40,500	-0.01	3,964,500	0.63
				28-Apr-2017	Transfer	13,500	0.00	3,978,000	0.63
				09-Jun-2017	Transfer	-229,500	-0.04	3,748,500	0.59
				09-Jun-2017	Transfer	-243,000	-0.04	3,505,500	0.56
				07-Jul-2017	Transfer	-103,500	-0.02	3,402,000	0.54
				04-Aug-2017	Transfer	-76,500	-0.01	3,325,500	0.53
				11-Aug-2017	Transfer	-9,000	0.00	3,316,500	0.53
				01-Sep-2017	Transfer	99,000	0.02	3,415,500	0.54
				08-Sep-2017	Transfer	157,500	0.02	3,573,000	0.57
				08-Sep-2017	Transfer	-40,500	-0.01	3,532,500	0.56
				15-Sep-2017	Transfer	-184,500	-0.03	3,348,000	0.53
				22-Sep-2017	Transfer	-13,500	0.00	3,334,500	0.53
				06-Oct-2017	Transfer	346,500	0.05	3,681,000	0.58
				03-Nov-2017	Transfer	-36,000	-0.01	3,645,000	0.58
				03-Nov-2017	Transfer	-4,500	0.00	3,640,500	0.58
				10-Nov-2017	Transfer	-1,026,000	-0.16	2,614,500	0.41
				10-Nov-2017	Transfer	-76,500	-0.01	2,538,000	0.40
				17-Nov-2017	Transfer	-1,750,500	-0.28	787,500	0.12
				17-Nov-2017	Transfer	-387,000	-0.06	400,500	0.06
				24-Nov-2017	Transfer	-400,500	-0.06	0	0.00
				01-Dec-2017	Transfer	72,000	0.01	72,000	0.01
				22-Dec-2017	Transfer	85,500	0.01	157,500	0.02
				19-Jan-2018	Transfer	729,000	0.12	886,500	0.14
				26-Jan-2018	Transfer	193,500	0.03	1,080,000	0.17
				26-Jan-2018	Transfer	153,000	0.02	1,233,000	0.20
				02-Feb-2018	Transfer	189,000	0.03	1,422,000	0.23
				02-Feb-2018	Transfer	94,500	0.01	1,516,500	0.24

SL. No	Name of the Shareholder	Shareholding		Date	Reason	Increase / Decrease in shareholding	% of total shares of the Company	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
				09-Feb-2018	Transfer	-495,000	-0.08	1,021,500	0.16
				23-Feb-2018	Transfer	-18,000	0.00	1,003,500	0.16
				02-Mar-2018	Transfer	148,500	0.02	1,152,000	0.18
				02-Mar-2018	Transfer	202,500	0.03	1,354,500	0.21
				09-Mar-2018	Transfer	-27,000	0.00	1,327,500	0.21
				09-Mar-2018	Transfer	-288,000	-0.05	1,039,500	0.16
				16-Mar-2018	Transfer	-166,500	-0.03	873,000	0.14
				16-Mar-2018	Transfer	-9,000	0.00	864,000	0.14
				23-Mar-2018	Transfer	31,500	0.00	895,500	0.14
		895,500	0.14	31-Mar-2018				895,500	0.14
27	Credit Suisse (Singapore) Limited	3,119,828	0.49	01-Apr-2017					
				02-Jun-2017	Transfer	-166,500	-0.03	2,953,328	0.47
				09-Jun-2017	Transfer	-363	0.00	2,952,965	0.47
				07-Jul-2017	Transfer	4,500	0.00	2,957,465	0.47
				14-Jul-2017	Transfer	-23,521	0.00	2,933,944	0.46
				21-Jul-2017	Transfer	1,638	0.00	2,935,582	0.47
				04-Aug-2017	Transfer	28,589	0.00	2,964,171	0.47
				01-Sep-2017	Transfer	-6,239	0.00	2,957,932	0.47
				08-Sep-2017	Transfer	-217,047	-0.03	2,740,885	0.43
				22-Sep-2017	Transfer	-142,329	-0.02	2,598,556	0.41
				06-Oct-2017	Transfer	-438,443	-0.07	2,160,113	0.34
				13-Oct-2017	Transfer	-549,533	-0.09	1,610,580	0.26
				20-Oct-2017	Transfer	-1,069,006	-0.17	541,574	0.09
				27-Oct-2017	Transfer	-495,251	-0.08	46,323	0.01
				31-Oct-2017	Transfer	-29,450	0.00	16,873	0.00
				22-Dec-2017	Transfer	-16,873	0.00	0	0.00
				09-Mar-2018	Transfer	215,311	0.03	215,311	0.03
				16-Mar-2018	Transfer	215,311	0.03	430,622	0.07
		430,622	0.07	31-Mar-2018				430,622	0.07
28	Goldman Sachs (Singapore) Pte	5,615,249	0.89	01-Apr-2017					
				07-Apr-2017	Transfer	-27,125	0.00	5,588,124	0.89
				14-Apr-2017	Transfer	-91,529	-0.01	5,496,595	0.87
				28-Apr-2017	Transfer	17,659	0.00	5,514,254	0.87
				05-May-2017	Transfer	57,093	0.01	5,571,347	0.88
				12-May-2017	Transfer	212,992	0.03	5,784,339	0.92
				19-May-2017	Transfer	-177,285	-0.03	5,607,054	0.89
				02-Jun-2017	Transfer	-74,194	-0.01	5,532,860	0.88
				09-Jun-2017	Transfer	-388,397	-0.06	5,144,463	0.82
				16-Jun-2017	Transfer	-608,447	-0.10	4,536,016	0.72
				23-Jun-2017	Transfer	-210,239	-0.03	4,325,777	0.69
				30-Jun-2017	Transfer	-48,666	-0.01	4,277,111	0.68
				07-Jul-2017	Transfer	-67,269	-0.01	4,209,842	0.67
				14-Jul-2017	Transfer	-688,665	-0.11	3,521,177	0.56
				28-Jul-2017	Transfer	-63,571	-0.01	3,457,606	0.55
				18-Aug-2017	Transfer	-6,524	0.00	3,451,082	0.55

SL. No	Name of the Shareholder	Shareholding		Date	Reason	Increase / Decrease in shareholding	% of total shares of the Company	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year (01.04.2017)/ end of year (31.03.2018)	% of total shares of the Company					No. of shares	% of total shares of the Company
				25-Aug-2017	Transfer	-185,535	-0.03	3,265,547	0.52
				01-Sep-2017	Transfer	-311,679	-0.05	2,953,868	0.47
				22-Sep-2017	Transfer	340	0.00	2,954,208	0.47
				29-Sep-2017	Transfer	55,500	0.01	3,009,708	0.48
				06-Oct-2017	Transfer	-340	0.00	3,009,368	0.48
				27-Oct-2017	Transfer	-712,936	-0.11	2,296,432	0.36
				31-Oct-2017	Transfer	-526,457	-0.08	1,769,975	0.28
				03-Nov-2017	Transfer	-706,449	-0.11	1,063,526	0.17
				10-Nov-2017	Transfer	-1,008,026	-0.16	55,500	0.01
				24-Nov-2017	Transfer	6,840	0.00	62,340	0.01
				08-Dec-2017	Transfer	-364	0.00	61,976	0.01
				15-Dec-2017	Transfer	3,347	0.00	65,323	0.01
				22-Dec-2017	Transfer	-1,645	0.00	63,678	0.01
				29-Dec-2017	Transfer	562	0.00	64,240	0.01
				05-Jan-2018	Transfer	-2,782	0.00	61,458	0.01
				02-Feb-2018	Transfer	-27,750	0.00	33,708	0.01
				09-Feb-2018	Transfer	6,655	0.00	40,363	0.01
				23-Feb-2018	Transfer	7,889	0.00	48,252	0.01
				09-Mar-2018	Transfer	-3,358	0.00	44,894	0.01
				30-Mar-2018	Transfer	2,121	0.00	47,015	0.01
		47,015	0.01	31-Mar-2018				47,015	0.01
29	HDFC Standard Life Insurance Company Limited	400,000	0.06	01-Apr-2017					
				26-May-2017	Transfer	-400,000	-0.06	0	0.00
				26-May-2017	Transfer	396,284	0.06	396,284	0.06
				02-Jun-2017	Transfer	-21,284	0.00	375,000	0.06
				09-Jun-2017	Transfer	-75,000	-0.01	300,000	0.05
				16-Jun-2017	Transfer	-42,648	-0.01	257,352	0.04
				07-Jul-2017	Transfer	-57,352	-0.01	200,000	0.03
				14-Jul-2017	Transfer	-200,000	-0.03	0	0.00
		0	0.00	31-Mar-2018				0	0.00

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year as on 01.4.2017		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Directors	Nil	Nil			Nil	Nil	Nil	Nil
	Key Managerial Personnel								
1	Mr. V. Madan	112	0.00	No Movement during 2017-18				112	0.00
	Company Secretary			31.03.2018	Holding at the end of the year			112	0.00

No Director or any other Key Managerial Personnel of the Company holds shares in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment*

Rs. in Crores

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11.76	20.50	-	32.26
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	0.04	-	0.04
Total (i+ii+iii)	11.76	20.54	-	32.30
Change in Indebtedness during the financial year				
• Addition	24.25	60.22	-	84.47
• Reduction	(11.76)	(20.54)	-	(32.30)
Net Change	12.49	39.68	-	52.17
Indebtedness at the end of the financial year				
i) Principal Amount	24.25	60.00	-	84.25
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	0.22	-	0.22
Total (i+ii+iii)	24.25	60.22	-	84.47

* Measured as per Ind AS

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Rs. in Lakhs

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Ajoy Misra (Managing Director)	L. KrishnaKumar (Executive Director)	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	294.30	244.36	538.66
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	76.74	69.15	145.89
	(c) Profits in lieu of Salary under Section 17(3) of the Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others-specify	-	-	-
5	Others (contribution to PF, Gratuity and Superannuation)	31.88	26.57	58.45
	Total	402.92	340.08	743.00
	Ceiling as per the Act			6,064.42
	Payment from overseas subsidiary	45.12	36.67	81.79

B. Remuneration to other Directors

SI No.	Particulars of Remuneration	Name of Directors								Total Amount
		Mr. N. Chandrasekaran	Mrs. M. Srinivasan	Mr. V. Leeladhar	Mrs. Ranjana Kumar	Mr. Siraj Azmat Chaudhry	Mrs. Ireena Vittal	Mr. S. Santhanakrishnan*	Mr. Harish Bhat	
1	Independent Directors									
	Fee for attending board/committee meetings	-	1.80	7.50	6.45	1.50	1.95	-	-	19.20
	Commission	-	20.00	84.00	70.00	15.00	21.00	-	-	210.00
	Others, please specify	-	-	-	-	-	-	-	-	-
	Total (1)	-	21.80	91.50	76.45	16.50	22.95	-	-	229.20
2	Other Non-Executive Directors									
	Fee for attending board/committee meetings	1.40	-	-	-	-	-	4.95	3.20	9.55
	Commission	-	-	-	-	-	-	50.00	-	50.00
	Others, please specify	-	-	-	-	-	-	-	-	-
	Total (2)	1.40	-	-	-	-	-	54.95	3.20	59.55
	Total (1+2)	1.40	21.80	91.50	76.45	16.50	22.95	54.95	3.20	288.75
	Total Managerial Remuneration									288.75
	Overall Ceiling as per the Act									606.44

* Mr. S. Santhanakrishnan was re-categorised as Independent Director of the Company w.e.f. 11th May, 2018

c. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SI No.	Particulars of Remuneration	Key Managerial Personnel		Total
		John Jacob Chief Financial Officer	V. Madan Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	111.70	84.03	195.73
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	46.55	31.44	77.99
	(c) Profits in lieu of Salary under Section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others	-	-	-
5	Others (contribution to PF, Gratuity and Superannuation)	16.16	12.36	28.52
	Total	174.41	127.83	302.24

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties / punishment / compounding of offences for the breach of any sections of Companies Act, 2013 against the Company or its Directors or other officers in default, if any, during FY 2017-18.

On behalf of the Board of Directors

Mumbai
11th May, 2018

N. Chandrasekaran
Chairman
(DIN 00121863)

Annexure 6 to Board's Report

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A. Conservation of Energy

Energy conservation measures taken during FY 2017-18

1. Steps taken or impact on conservation of energy:

Instant Tea Division, Munnar (ITD)

- Introduction of New design Vertical submersible pumps for Cooling Tower water transfer.
- Replacement of old heavy duty Electric Motors with high energy efficient IE3 Class Motors.
- Introduction of Capacitors, where possible, to improve power factor

Water division

- Replacement of FTL with energy efficient LED lamps in Plant resulting in energy saving of about 37,000 units.
- Modification in Preform Heating System in Sidel PET Blowing machine resulting in saving of 34,000 units.

Pullivasal and Periakanal Estates, Munnar

- Installation of TufLite sheets (translucent fiber-glass sheets) in labour line units/factories and additional usage of LED and CFL bulbs.

Packeting Centres

- Installation of fluorescent tubes with LED fixtures.
- VFD installed for ramp up and ramp down of the compressor with respect to load for energy saving

2. Steps taken by the Company for utilising alternate sources of energy

At its plant in Himachal Pradesh, the Company embarked on a task to reduce Carbon Foot Print by use of Renewable Energy and undertook the following activities:

- Commissioned the 630KW Solar Energy Plant supplied by Tata Solar Power Systems
- 2000 panels of Multi Crystalline solar photovoltaic module.

The plant is currently generating about 3000 units/day and 32% of the total plant energy requirement is met by Renewable energy. This has resulted in reduction of carbon footprint by 18% in the plant.

Packing Centers

- Daylight harvesting carried out by installation of tufLite sheets in factory.
- Daylight harvesting carried out by providing adequate fenestrations.
- Roof top solar photovoltaic of 300kW has been installed at the plant providing clean energy to the plant production carbon foot print reduction 383 tons per annum.

3. Capital investment on Energy Conservation Equipment

Energy savings initiatives at ITD involved a capital expenditure of Rs. 35 Lakhs during FY 2017-18.

In addition, the unit will take the following initiatives during FY 2018-19:

- Improve Power savings by providing Transpak transparent Sheets.
- Installation of Auto Start Delta convertor for some of the heavy duty motors to reduce Power consumption.
- Phase wise replacement of heavy duty motors with energy efficient ones.

Packeting centres are planning the following initiatives during FY 2018-19:

- Installation of Energy efficient compressor with VFD
- Installation of Solar power plant

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 and process development, new packaging development and analytical service support. Technical discussions were held to identify the appropriate technologies, solutions and development and process improvement support. The Company has entered into MOU with some external Companies and Institutions under Confidentiality Agreements to work further on various collaborative projects and assignments.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution.

During the year under review, the Company launched number of new products –Tata Tea Masala Chai and Tata Coffee Grand R&G Coffee. Apart from this, there has been lot of initiatives on NPD which have moved to advance stage and ready for launch in FY 2018-19.

This has been achieved through the efforts taken on technology and product development and collaborations with different business partners.

The Company has collaborated with various external partners to support the development work which are briefly as under:

- Collaboration with Sami Labs has been continued from previous year for functional ingredients for development of products in the area of Health & Wellness for a range of products. Apart from this, we have engaged with new technology partners like DSM Nutritional Products India Pvt Limited and Dupont India Pvt Limited to strengthen our Health and Wellness capabilities. We also progressed well with our relationship with Kerry Ingredients Pvt Limited and Cargill India for strengthening ingredients for Innovation projects.
- Projects were taken up with Central Food Technological Institute (CFTRI), Mysore for studying shelf life characteristics of teas exported.
- Collaborated with M/s Anthem Cellutions and Otsil, Chennai for providing inputs for quality improvement and functional ingredients.
- Service agreements were entered into between Analytical labs – Eurofins, Bangalore, TUV-SUD, Bangalore, TUV-Nord, Pune and Micro Chem, Mumbai for analytical support.
- Engagement with Tata Chemicals for identifying suitable opportunities with various functional ingredients continues and progress has been made on development of certain concepts.
- Active engagement with different companies were taken up during the year for packaging development which are briefly as under:
 - We made significant progress with Dow Chemicals on sustainable packaging and developed re-

cycling concepts. Work has also progressed with BASF chemicals on other packaging initiatives.

- Paharpur and Facile Packaging have been engaged in development of Nitrogen flushed packs for R&G
- Coffee products – Tata Coffee Grand R&G.
- For developing printing options, designing and developments involving re-engineering of packing material, we engaged with Paharpur, ITC, Uflex, Creative Polypack, HPPL and GLS (Flexible Packaging); ITC and IPP (Rigid Packaging);

For designing Pack artwork, we have engaged with ICARUS, Bangalore and ENCEPT, Mumbai.

(iii) In case of imported Technology (imported during the last three years reckoned from the beginning of the financial year):

- a) The details of technology imported: The Company has not imported any technology during the last three financial years.
- b) The year of import: Not Applicable
- c) Whether the technology has been fully absorbed: Not Applicable
- d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof : Not Applicable.

(iv) Expenditure incurred on Research & Development:

	Rs. in Crores
Capital Expenditure	0.57
Revenue Expenditure	5.51
Total R&D expenditure as a % of Net Sales	0.19%

C. Foreign Exchange earnings and outgo

	Rs. in Crores
Foreign Exchange earned	458.30
Outgo of foreign Exchange	96.80

On behalf of the Board of Directors

Mumbai
11th May, 2018

N. Chandrasekaran
Chairman
(DIN 00121863)

Management Discussion And Analysis

1. Economic Environment

Economic Environment during the Year

As per the International Monetary Fund (IMF), global economic growth strengthened in 2017 to 3.8%, an increase of 0.6% from 2016 levels, driven by both developed and emerging economies. The year also witnessed two landmark tax reforms - India's introduction of the Goods and Services tax (GST), and the USA's approval of a tax reform bill.

In India, FY 2017-18 was marked by a number of key structural reforms to build sustainable long term growth. The most significant initiative was the implementation of GST in July 2017 with the vision to create a unified market with a modern, transparent and technologically driven indirect tax system. The Indian economy witnessed some slowdown in growth during the transition period to the new GST regime from the erstwhile tax regime.

In the USA, the tax reform bill enacted in December 2017 lowered the tax rates for corporates which is likely to be beneficial to growth across industries.

In the UK, one of Tata Global Beverages' key operating markets, economic growth was impacted due to concerns around Brexit negotiations and increase in inflation impacting household spending.

Outlook on the Economic Environment

Global growth momentum is projected to continue in the next year with broad based growth both in developed and emerging economies.

According to projections, economic growth in the USA will be led by improvement in domestic demand and the boost provided by the December 2017 tax reform which is expected to stimulate investment activity.

India's GDP growth is expected to bounce back to 2016 levels, led by higher private consumption and structural reforms as the transitional impact of the GST launch declines. India's growth outlook remains favourable led by positive indicators such as expected growth in industrial activity and recovery in investment levels, decreasing impact of GST transition and on-going structural reform in the economy. Increase in oil prices will have some inflationary impact on the Indian Economy.

Concerns around arrangements post Brexit will continue to impact economic outlook in the UK.

2. Market Trends

i) Tea Industry

Industry insight

According to Euromonitor, tea is approximately a \$40bn industry globally, growing at a 5 year CAGR of 3.3%. Tea, Coffee, Carbonated Soft Drinks (CSD) and juice consumption is projected to increase to twice the amount from 663 bn ltrs in 1999 to 1,366 bn ltrs in 2020. By volume, tea's share of throat is expected to increase from 35% in 1999 to 39% in 2020.

Everyday black tea forms the largest tea category sub-segment in most economies globally, followed by non-black teas like Green tea, Fruit & Herbal, Rooibos, Decaf etc. Though there is an overall trend of non-black tea growing faster than black tea, this is at different stages of evolution across various geographies.

In the developed/advanced economies, we continue to see a trend of declining everyday black tea consumption, replaced by growth in non black sub-segments such as Green tea, Fruit & Herbal etc. In developing economies like India, while Green tea is growing faster than Black tea; it currently occupies a very small share of the market.

Tea Production and Prices

In terms of production, the global crop position in 2017 was lower by 10 Million kgs over the previous year. India and Sri Lanka registered an increased crop while Kenya and Bangladesh registered a reduced crop.

On account of the reduced supply position in Kenya, the Mombasa auction average was dearer compared to the prior year. In India, North India tea prices were a mixed bag reflecting the demand supply situation in the various tea growing districts. While Assam auction prices were higher, Orthodox tea prices were marginally lower than the previous year. Darjeeling tea supplies were severely hit as a result of prolonged strikes due to agitation. The South India auction averages saw a downward trend consequent to increased availability over the previous year.

During the year 2018, North India experienced timely rainfall resulting in good crop at the start of the season. There is good demand forecast for the year with some expected appreciation in price levels for all varieties of teas. The Darjeeling market opened on a strong note, however there will be an inevitable softening of price levels as the year progresses. The South India market opened dearer due to poor weather and consequently lower crop. However, prices are expected to soften.

In the international markets, FY 2018-19 opened with Kenyan price levels at record highs due to political uncertainty. Since then prices have eased with improved crops and stability. The market is forecasted to be flat to slightly lower than the previous year.

Industry trends

With increasing disposable income and growing aspirations, the Indian market is witnessing premiumisation – both at the bottom end of the pyramid through conversion from loose to branded teas and at the top end through super premium offerings and variety in tea. At the top end, consumers are discovering a wide range of offerings through different tea origins and flavours. There is also a range of wellness teas becoming popular where the goodness of tea is enhanced with natural herbs or fortified with vitamins as consumers become more health conscious.

The out of home tea channel is also gaining in demand both in India and International markets where retailers are creating new opportunities for consumers to experiment with tea and brewing techniques. There is early momentum in this segment, with opportunities in tea retail stores and cafes.

E-retail is also another growing channel where a lot of companies are directly selling online without having a retail store. This trend is picking up as consumers' trust in e-retail grows. This channel also offers exciting opportunities for consumers to interact with and experience different varieties of tea.

Outlook

Tea continues to be a strong everyday consumption beverage. Hot tea consumption is growing in markets like India. In addition there are additional growth drivers such as premiumisation and conversion of unbranded to branded tea. In many developed markets, while everyday black tea is declining, there is growth in a variety of non-black teas. There is also an emergence of small niche players who are gaining share by launching innovative products thereby capitalising on industry trends.

Consumer preferences for beverages continue to be mainly driven by 'health and wellness' and 'premiumisation'. In developed markets, consolidation of retailers, growth in online sales and to some extent growth in private labels also impact consumer branded businesses like ours.

ii) Coffee Industry

Industry insight

According to Euromonitor, coffee is approximately a \$80bn industry globally, growing at a 5 year CAGR of 3.1%. Coffee's share of throat by volume is expected to increase from 22% in 1999 to 23% in 2020.

Globally, coffee has four sub-segments: Roast & Ground (R&G) bags, Beans, Pods and Instant Coffee. In developing economies which have larger tea markets, instant coffee forms the dominant sub-category. However, in advanced/developed economies, where the coffee category is larger than tea, R&G forms the dominant sub-category. In countries with a strong café culture, coffee pods are popular as they help consumers re-create the café experience at home.

USA is the largest coffee market by value contributing to approximately 15% of the global market and is projected to remain a significant contributor to global category growth. In recent years, there has been consolidation of the industry with a number of European coffee companies interested in gaining a strong foothold in the USA and other markets via mergers and acquisitions.

India is still a small coffee market. In the North, there is high coffee consumption mainly during the winters while in the South, consumers drink coffee throughout the year.

Coffee Production and Prices

In terms of production, the global coffee markets in FY 2017-18 was mainly influenced by the alternating Brazilian "on" and "off" crops. Global coffee production was 159.66 Million bags, 1.2% higher than the previous year with a 12.1% increase in Robusta output offsetting a 4.6% decline in Arabica production. The decline in Arabica production was due to lower estimated output of Colombian Milds at 15.21 Million bags and Brazilian Naturals estimated at 50.23 Million bags. The estimated Robusta production rose from 55.6 Million bags in 2016-17 to 62.24 Million bags in 2017-18 largely due to increases in output from Vietnam and Indonesia. Vietnam's production is estimated at 29.5 Million bags of coffee in 2017-18, 15.5% higher than the previous year. Coffee in 2017-18 was surplus for the second consecutive year, with production exceeding consumption. This excess is weighing down on global coffee prices in the current year.

Industry trends

Consumer behaviour patterns are largely being influenced by convenience, increase in out of home consumption and premiumisation across the globe. The coffee market is also growing at a faster pace than the tea category across the markets in which we operate. We are also witnessing increasing consolidation in the coffee market as players are looking at driving synergies with larger scale.

USA, which is one of the largest Pods markets, is witnessing a slowdown in pods category growth from high double digit a few years back to single digit growth. The industry is also witnessing price-led competition among the players including private labels, to garner higher market share.

Outlook

Global coffee consumption continues to enjoy steady growth. However, there is increasing consolidation in the market and a lot of global coffee players are showing interest in this trend. The Nestle Starbucks deal is one such example. We expect the competition to intensify further and will be closely monitoring the evolution of this market.

iii) Water

Industry insight

The Indian Liquid Refreshment Beverage (LRB) market is approximately Rs. 180 bn growing at 6% yoy (LRB includes Dairy, Juices, Carbonated Soft Drinks (CSD's) and Bulk Water). Packaged Water constitutes approximately 18% of LRB (by value) and is growing at 1.5x the category.

Industry trends

Indian packaged drinking water category growth is led by increasing disposable incomes and changing lifestyles, with consumers looking at convenient and hygienic options for hydration.

Health and Wellness is a strong trend in this industry with consumers increasingly opting for healthier alternatives, giving growth impetus to categories like value added waters which are perceived to be healthier.

Outlook

In mature markets, premium natural mineral waters and functional beverages are leading category growth. In India, there is a growing trend towards functional beverages with fortification through vitamins and minerals.

India's value added water segment will continue to enjoy good growth with increase in distribution and penetration for the next few years.

iv) Other factors influencing Market Outlook

Interest Rates and Exchange Rates

Tata Global Beverages operates in multiple geographies and hence both interest rates and exchange rates across geographies are of significant importance to our business.

The interest rates in India have hardened in the later part of the year due to concerns over rising fiscal deficit and inflation, and are expected to remain volatile. UK continues to witness low interest rates given the volatility and uncertainty looming around the economy as a result of UK's exit from the European Union. In USA, the interest rates increased as the central bank hiked the policy rates with expectation of subsequent rate hikes going forward.

The rupee traded weak against the dollar during most part of the year due to stronger growth, upside inflationary pressure and interest rate hike in USA and is expected to remain range bound going forward. Sterling recovered against USD from its earlier lows post Brexit in June 2016 and is expected to remain volatile.

The Company did well in mitigating the currency and interest rate exposures by adhering to the Board approved treasury policies and are also reasonably covered in respect of its immediate trade flows.

3. Review of Business

i) Consolidated Business

Business Overview

Tata Global Beverages is among the world's largest tea companies with a growing coffee and water portfolio. Our vision is to be a world-class beverages company that is admired globally for its innovation and quality, a company that puts smiles on the faces of millions of consumers. We are focused on an aggressive profitable growth strategy of strengthening our core brands, launching innovative new products, category expansion and rationalising non-profitable businesses. The previous year has seen significant profit growth driven by improved operating performance, restructuring and good cost management in the branded business. We will continue to innovate in tea, coffee and water with new blends and beverage experiences.

Your Company's strategy is formulated keeping in mind the industry trends. We will strive to continually deliver improvements based on the following pillars of growth:

- a) Rejuvenate the base business – Focused approach to continually improve brands in the core categories of tea, coffee and water. The objective is to achieve profitable growth in core businesses in our regions with a focus on brand building, premiumisation, enhancing distribution reach and developing alternate channels.
- b) Invest for growth – Focus on future growth engines by continually expanding geographical presence and brand reach in spaces where we have not been present along with strengthening and expanding our incubatory businesses.
- c) Drive innovation – focus on innovative products based on the industry trends of premiumisation, health and wellness and convenience.
- d) Improve operational effectiveness – reinforce organisational capabilities, efficiently manage spends and actively manage commodity costs.
- e) Review portfolio options and additional avenues for growth.

During the year under review, your Company focussed on all the above pillars to drive improvements and target growth. We enhanced focus on innovation across categories to deliver exciting new products. We tapped white space geographies and new product categories while strengthening our brands in existing markets and investing in strong marketing campaigns. We also significantly expanded our offerings in the green tea and fruit & herbal tea segment and are steadily adding to our portfolio in branded coffee and the functional water segment.

Financial review

Tata Global Beverages delivered a strong brand performance during the year despite increased competitor intensity across some markets and adverse macro-economic conditions prevailing in some countries. The good performance came on the back of a continued focus on the global health and wellness trend and innovative product launches.

In keeping with our purpose of creating magical beverage moments for consumers across the world, we launched many exciting new products. Many of these launches leverage the health & wellness trend across geographies. During the year, we launched Ready-to-Drink (RTD) products in Canada and India. We launched a range of indulgent teas and also a squash product in the UK. In India, we launched Tata Tea Masala chai. We are exploring convenience formats through a pilot Chai store branded as 'Tata Cha' opened in Bangalore. The global marketing function continues to focus on developing a strong global brand portfolio with an enhanced global innovation agenda. Your Company will increase focus on its 4 power brands namely Tetley, Tata Tea, Eight O' Clock coffee and Himalayan. These power brands are being managed in a globally consistent manner which includes creating a global brand identity.

From a product category viewpoint, both branded tea and coffee registered good performance. The non-branded operations performed lower than previous year due to the impact of adverse weather conditions and lower commodity prices.

Financial highlights during the year:

- Revenue from operations at Rs. 6,815 Crores was higher than the previous year by 1%. However, excluding the impact of sale and restructuring of some businesses, the increase is 2% in constant currency on a comparable basis. The increase in revenue is attributed to the improvement in branded business notwithstanding the challenging market conditions. There was significant de-growth in the Non Branded Business mainly due to underperformance in tea and coffee plantations and coffee extraction business, mainly due to abnormal and extreme weather conditions coupled with low terminal prices for Robusta Coffee.

- Profit before exceptional items and tax at Rs. 774 Crores improved by 18% over the previous year aided by lower tea commodity costs in India, good cost management, restructuring of businesses and lower finance costs. However, high commodity costs prevailed in the international markets in both tea and Arabica Coffee.
- Exceptional items include profit on divestments of our stake in Estate Management Services Pvt. Ltd, Sri Lanka and in Zhejiang Tata Tea Extraction Co. Ltd, China offset by restructuring costs incurred mainly in the international markets.
- Group Net Profit for the year at Rs. 557 Crores was higher than previous year by 22% largely driven by improvement in operating performance.

Performance Snapshot

The consolidated financial highlights for FY 2017-18 are as follows:

	Rs. in Crores		
	2017-18	2016-17	Variance
Revenue from Operations	6,815	6,780	35
Profit before exceptional items and taxes	774	657	117
Exceptional items (net)	(21)	5	(26)
Profit before tax	753	662	91
Profit after tax	567	464	103
Group net profit	557	455	102

ii) Standalone Business

Financial highlights during the year:

- Revenue from operations at Rs. 3,217 Crores grew 5% over the previous year driven by improved branded operations. Improvements were recorded across most national brands and regional brands.
- Profit before tax and exceptional items at Rs. 608 Crores improved aided by higher sales and lower commodity costs. Additionally, the company benefited from lower interest costs, non-recurring items and higher dividend / interest income.
- Exceptional items include a profit on divestment of our stake in Estate Management Services Pvt. Ltd, Sri Lanka and in Zhejiang Tata Tea Extraction Co. Ltd, China.
- Profit before and after tax reflected significant improvement driven by higher operating profits and exceptional income.

- The business had a smooth transition into the GST era. GST rate on most of our products were in line with rates under the erstwhile regime. GST will provide a level playing field for the organised and the unorganised players to compete, which is a positive outcome for your Company. Our operation and supply chain models have been restructured wherever necessary to enable efficiency and compliance. The Company will continue to review the business and operating models to improve efficiencies and effectiveness.

Performance Snapshot

The standalone financial highlights for FY 2017-18 are as follows:

	Rs. in Crores		
	2017-18	2016-17	Variance
Revenue from Operations	3,217	3,064	153
Profit before exceptional items and taxes	608	386	222
Exceptional items (net)	115	-	115
Profit before tax	723	386	337
Profit after tax	534	276	258

iii) Brand and Product Performance

a) Branded Tea Business

Business overview

Your Company is one of the largest tea companies globally. We are among the leading players in tea in three large markets - India, UK and Canada. Our current portfolio has higher weightage of Black teas (largest sub category within tea globally) and we have been growing our non-black portfolio in-line with trends such as health and wellness, premiumisation and convenience. To achieve this shift in revenues, we have been building our innovation pipeline with new blends, category expansion and packaging formats to grow new customer base.

We delivered a strong brand performance during the year led by Indian tea brands. In the international markets, we faced challenges on account of over-indexation to every day black tea category, high competitive intensity and increasing power of retailers led by consolidation. We are launching innovative products to reduce dependence on every day black by growing the non-black speciality categories and entering into newer categories. This approach is expected to deliver growth in the coming years.

India

FY 2017-18 saw India tea business deliver a strong volume and value growth despite short disruption caused by GST in the

initial few months of launch. We retained our volume leadership in India. Tata Tea brand ranking jumped to # 2 from # 13 in ET Brand Equity's India's Most Trusted Brands in Hot Beverages Category. During the financial year, based on the success of Tata Tea Elaichi, we launched another variant - Tata Tea Masala which provides consumers a refreshing variant of popular spices with traditional teas. Both continue to perform well in the market and have exceeded our projections.

The India retail narrative has set the tone for a growing legion of premiumised products and traditional variants in the country. The Company introduced the Tetley Super Green tea range to India in early 2017. The product line offers refreshment and nutrients in a single cup, eliminating the need for additional vitamin supplements. We recently launched a new ad campaign – "Andar se clean and Bahar se Active" with our brand ambassador Deepika Padukone.

Another interesting line launched in India is Tata Tea Teaveda, a select range that combines Ayurvedic elements with Assam black tea, providing consumers access to everyday practical Ayurveda. As TGB works on the growing opportunity provided by higher standards of living, the beverages repertoire in India is poised to become bigger and better.

The year also marked the pilot into two new formats – a Ready-to-Drink Beverage - Tata Tea Fruski and an out of home retail tea format – Tata Cha. Fruski was launched at the start of the year in Delhi and Western Uttar Pradesh. The beverage combines green tea with ayurvedic ingredients and is available in mango and orange flavours; with the single serve format available at an affordable price of Rs. 12. The pilot has helped us in identifying areas for improvement in supply chain, before we do a larger roll-out in North India.

The first Tata Cha store was launched in the third quarter of FY 2017-18 in Bangalore and another store was subsequently opened in the fourth quarter. We have received encouraging response to the new tea stores and depending on store performance, will explore further expansion.

This year, we carried forward the Jaago Re 2.0 drive (launched in early 2017) with the theme 'Alarm Bajne se Pehle Jaago Re', urging people to 'pre-act' on issues to avert a future crisis. In the current year, the focus of the drive was on two petitions which aim to make gender sensitisation compulsory in the school curriculum, and sports a compulsory subject in schools. Your Company was able to garner support from nearly 1.8 million people across the nation and we presented the petition to Shri Prakash Javadekar, Union Minister of Human Resource Development, Government of India in February 2018.

Europe, Middle East and Africa (EMEA)

With the growing trend towards health & wellness and premiumisation, Tetley continues to strengthen its non-

everyday black tea portfolio with 'Super teas'. During FY 2017-18, we extended our range in the UK market with two new variants: Super Green tea- Sunshine (green tea blended with vitamin D) and Super Green tea- Matcha (has finely milled, rich green tea powder known for its unique taste and natural healthy goodness). We also launched an array of specialty teas, curated under the Indulgence range, crafted specifically for a younger demographic segment to help Tetley establish a significant foothold in the premium black tea category. We launched four blends under the Indulgence range during the year: Chocolate mint, Cookies and cream, Spiced apple and Gingerbread.

Additionally, we also entered a new category in the UK – "Super Squash", a blend of real fruit juices enhanced by added vitamins carrying approved health benefits - building on the success of Super Teas. The product is available in three flavours- Sunshine with added vitamin D, Boost with vitamin B6 and Immune with vitamin C.

Teapigs, our super premium tea brand, continued to deliver growth both in UK and International markets. In FY 2017-18, we expanded our range with three new feel-good teas: Happy, Calm and Trim.

In France, Tetley Signature presented a collection of luxuriant flavours to consumers wanting to experiment in bringing home the tea boutique experience. Tetley Signature was positioned in the super premium price segment, second only to a handful of other luxury tea lines.

In Western Europe, the Super Teas launch in Portugal was received well. Tetley is delivering good growth across all segments i.e. Black tea, Green tea and Fruit & Herbal tea.

Canada, America and Australia (CAA)

We entered two different categories - Ready-to-Drink range of Iced Teas in Canada under the "Tetley" brand (three flavours- Lemon Ginger, Orange Blossom Peach Mango and Hibiscus Pomegranate Berry) and pilot launch of Kombucha under the "Good Earth" brand in the last quarter in Australia (Kombucha is a tea based ready to drink product and was launched in three flavours - passion fruit and lime; pomegranate and acai; and lemongrass and ginger).

The Good Earth tea brand which was recently re-launched in the USA through an online digital boutique is receiving positive market feedback.

Road ahead & Strategy

The Indian market remains a key strategic focus for your Company. We have started the journey of driving higher growth from our brands with new launches and entry into new product categories. India provides opportunities for growth with strong

consumer demand and favourable demographics. We will continue to accelerate growth across all brands and categories and explore adjacent categories for growth by building on the Fruski and Tata Cha platform.

In the International market, we will continue to focus on driving sales for our key power brands and supporting them with investments. We will continue to build on the innovation platform to support growth specifically in the non-black tea category. Tetley is a key power brand for your Company and we will continue to strongly invest behind its growth. We will continue to build on the success of Supers in UK by expanding the range, entering different geographies and leveraging the differentiation for entering new categories. Along with this, we will explore innovation platforms to capitalise on the health and wellness, premiumisation and convenience growth trends in tea and build market share.

In addition, we will continue to explore opportunities to build efficiency across the supply chain with cost transformative projects.

b) Branded Coffee Business

Business overview

Coffee is an important strategic segment for TGB. Unlike tea, our branded coffee play is limited to three geographies – USA, Australia and India. During the year, your Company restructured its Russia operations. USA is our largest play with Eight O' Clock coffee (present across Roast & Ground – Beans & Bags and Pods/ K-cups).

FY 2017-18 has been a challenging year for coffee where we faced a difficult market environment in our largest market USA with slowdown in growth of pods segment, increased cost of doing business and high competitive intensity.

Canada, America and Australia (CAA)

Eight O' Clock Coffee (EOC) in the USA recently expanded its Infusions line with three new varieties- Super Spice (a medium roast blended with turmeric and cinnamon – a perfectly balanced, smooth, mild spiced blend to awaken the senses); Acai Glow (medium roast, featuring acai berry for a rich, fruity, vibrant coffee experience) and B6 Metabolism (dark roasted and crafted to help support normal energy yielding metabolism with a fruit and herbal blend rich in vitamin B6). These launches helped meet consumers' expectations of enhanced experiences from our products. EOC has renegotiated pods/ K-cup agreement with Keurig which will help us gain control of majority of the sales channel resulting in higher share of sales and profit. While partial impact of the same was seen in this financial year; the full term impact of the re-negotiation will be seen in the next financial year. In addition EOC's private label sales also added to the topline.

Australia business faced a difficult year led by highly competitive markets in both consumer and Food Service channel.

India

India business continues to show good growth on a small base. Portfolio expansion in the South region has been done through the launch of a R&G variant and a filter coffee variant. The R&G variant helped in gaining shelf space in shops and is performing well. The Filter coffee variant has been very well received by customers- both the smart new packaging as well as the product's taste profile and has rapidly increased its volume sales. Our Hot Tea Shop variant - a blend of Spray Dried Coffee with Chicory, which was launched in the previous year is delivering stable volume growth and slowly increasing outlet penetration.

Road ahead & Strategy

There is increasing consolidation in the USA market with interest from a lot of global coffee players, including the recently concluded Nestle - Starbucks global coffee licensing deal. We expect the competitive intensity to further increase and will be closely looking at how the marketplace evolves. EOC remains a key power brand for TGB and we will continue to support the brand for growth.

India is a key strategic priority market for TGB and we will continue to drive further growth in distribution and expansion into more states/ stores.

c) Other Branded Businesses

Business overview

This mainly includes water and enhanced beverages. In the last quarter of FY 2017-18, Himalayan natural mineral water was launched in the USA market and is now available in two markets internationally including Singapore.

Himalayan's foray into the USA market makes it one of the first premium Indian FMCG brands to target the broader American audience. The premium end of the water market in the country is growing rapidly and Himalayan is well positioned to leverage the growth in this segment. We entered into an agreement with Talking Rain Beverage Company (maker of Sparkling Ice flavored sparkling waters) for distributing and marketing the brand in the USA market. Through this arrangement, we will be able to capitalise on Talking Rain's extensive go to market and execution capabilities in the USA, which synergises well with TGB's product expertise and marketing capability. We also recently received Carbon Neutral certification for the USA

market – making Himalayan the first Indian water brand to receive this recognition. In the USA, Himalayan is currently available in Chicago city and through Amazon online. We plan to enter more cities in a phased manner.

The business also supplies TGB water products to NourishCo Beverages (a joint venture with PepsiCo), for marketing and distribution of these products within India. The performance of NourishCo is given under the section "other business interests".

Road ahead & Strategy

Water is currently a small part of our beverage portfolio but is a key strategic business which we believe is well poised to contribute significantly to our growth in future years. Along with the domestic market, we are also closely looking at international markets for growth as we believe our premium source water brand Himalayan has the potential to be a global brand. We have high ambitions for Himalayan and plan to expand its presence in a phased manner beyond USA and Singapore.

d) Non-Branded Business

Business overview

Our Non Branded business consists of plantations and extraction verticals. In plantations, we primarily manufacture and sell tea, coffee and other plantation produce like pepper while the extraction business caters to both instant tea and instant coffee consumers. Tata Coffee Limited, our listed subsidiary, is a significant contributor to non-branded sales.

FY 2017-18 has been an exceptionally difficult year for non-branded business where both the plantation and coffee extraction verticals underperformed. The business witnessed lower realisation in Pepper and Arabica coffee plantations. Coffee plantations were impacted by crop loss due to abnormal and extreme weather conditions, while there were lower volumes in the Coffee Extraction business. Our Tea plantation sales were impacted by both lower production and realisation. Our Instant tea business however had a stable performance during the year.

Tata Coffee Limited is setting up a state-of-the-art Freeze Dried Instant Coffee plant in Vietnam with an installed capacity of 5,000 MT per annum. Freeze Dried coffee is a growing segment worldwide in the premium Instant Coffee space. This move is expected to further strengthen the Company's growth in the Instant Coffee segment and further expand our global foot print. Vietnam offers an attractive business environment besides being the largest Robusta Coffee growing region.

The instant coffee operation continues to focus on operational discipline, cost reduction and sustainability in operations. With a specific focus on cost reduction, various alternatives have been pursued to reduce the power and fuel costs in the instant coffee factories.

Road ahead & Strategy

While FY 2017-18 has been a difficult year, where we faced challenges due to abnormal weather conditions and volatile commodity costs, we are focused on turning around our operations and delivering growth both in sales and profit.

e) Other Business Interests

Our incubatory businesses in India - Tata Starbucks and NourishCo Beverages showed good growth.

Tata Starbucks, our JV with Starbucks, improved sales by 28% in FY 2017-18 with robust in-store performance coupled with new stores added during the year. Various in-store initiatives and the loyalty program coupled with the ambience provided in stores resulted in improved existing store performance. We crossed the 100th store milestone this year. We added 25 stores during the year taking the total store count to 116 as on 31st March, 2018. This year also marked the entry into Kolkata in West Bengal and we have opened 3 stores till date in the city. Our stores are now open in 7 cities across India. FY 2017-18 is also the first year we recorded a positive EBITDA.

NourishCo Beverages, our water business in India, delivered 8% growth driven by the improved performance of Tata Gluco Plus (TGP), Tata Water Plus and domestic sales of Himalayan. TGP continues to deliver double digit growth. For the first time since it came into existence, the company is close to break even levels mainly due to improved sales performance and structural improvement in the cost base. We also launched two new products in Himalayan - Orchard Pure range of flavored water (three variants – Strawberry, Apple and Peach) and Sparkling water launched with premium chains of hotels.

Tata Gluco Plus (TGP) is one of the successful drink launches in India. In the current financial year, TGP was relaunched with a new “with fruit juice” formulation and was accompanied by a pack change and new brand campaign. This has enhanced the already strong consumer proposition. TGP continues to deliver double digit growth aided by distribution expansion and improvement in margins.

4. Threats, Risks and Concerns

Over the past few years, we are seeing a shift away from black tea in developed markets. In UK, USA and other

developed markets there is a decline in the black tea category coupled with competitive intensity and retailer consolidation. Our portfolio has a higher weightage of black teas. The non-black category is growing and we are rapidly rejigging our portfolio with various innovative products in keeping with this trend.

There are some inherent risks associated with the success of any innovation. The Company has rolled out an innovation process that follows a structured review through stages and gates from ideation to post launch to minimize the risks and strengthen the success of innovation. In addition, the Company reviews and monitors its pricing and promotion strategy very closely and benchmarks with industry practices.

Volatility in commodity prices will have an impact on the business. Further, political, social and weather changes may impact commodity availability as well. The Company focuses on development of market relationships, innovation of alternate supplier channels and exploring alternate sources of teas in other parts of the world to safeguard the earnings and availability. Tea is a multi-harvest agricultural commodity and is sold through public auction or by private treaty. There is no futures market in tea. Price levels reflect supply/demand position and as an agricultural crop supply/demand balance may change quickly when weather conditions are adverse. To manage supply risk the Company spreads its buying between public auction and private treaties.

Cyclical swings in coffee commodity markets are common and the most recent years have been especially volatile for the price of coffee. Increases in the cost of green coffee could reduce our gross margin and profit. There can be no guarantee that we will be successful in passing commodity price increases to our customers without losses in sales volume or gross margin. Precipitous decreases in the cost of green coffee could result in significant headwinds causing us to lower sales prices before realising cost reductions in our green coffee inventory. Your Company has a robust framework in place to protect its interests from risks arising out of market volatility. The Risk Management team, based on market intelligence and continuous monitoring advises the sales and procurement teams on appropriate strategy to deal with such market volatility.

Volatility in currency exchange movements like USD, GBP, CAD and AUD can pose challenges to the Company's operations through earnings dilution. The Company has established currency hedging policies and practices to manage these risks.

As a global organisation, the Company is exposed to breach of information security through cyber-attacks. Your Company has a robust information and security policy to safeguard its resources against any unforeseen events.

As a player in the beverage industry, your Company is subject to extensive laws and regulations which are complex and changing. These regulations could affect the performance and reputation of the Company. Your Company has developed a legal organisation at the regional levels. The Company and its subsidiaries are assisted by their legal departments and/or external legal advisors to take steps to ensure that they comply with applicable laws and regulations. In addition, your Company has developed and implemented internal policies and procedures relating to compliance.

5. Risk Management

The Company has a system of documenting and reviewing key risks. Apart from management reviews, the risks are also periodically reviewed by the Board and Risk Management Committee. The Audit Committee has additional oversight in the area of financial risks and controls. A detailed analysis of the financial risks management is given as a part of the financials.

6. Human Resources and Industrial Relations

Your Company continued its initiatives towards achieving enhanced capabilities and the highlights of key initiatives undertaken during the year are:

Learning and Development: We continue to leverage Leadership programs to build leadership capability. We focused on building sales capability to achieve best-in class capabilities in the company. Across regions, employees have undergone specific Learning & Development programs such as Manufacturing Excellence practices in FMCG sector (India), collaborative leadership workshops (UK) and compliance training (CAA).

Employee Engagement: We continued to focus on engagement initiatives across geographies with various events organised throughout the year.

High Performance Culture: As a part of Global Reward strategy and benchmarking, we continue to sharpen the focus on differentiating rewards for our top performers aligned to global best practices. Our global reward strategy follows a balanced scorecard methodology to ensure strong linkages to organisational goals.

Rewards and Recognition: We undertook activities to promote a culture of peer-to-peer recognition. 2500+ monetary and non-monetary peer-to-peer rewards were shared globally.

The total number of employees on the rolls of Tata Global Beverages Limited as on 31st March, 2018 was 2,565.

7. Internal Controls and Governance

The Company's internal financial control framework is commensurate with the size and operations of the business and is in line with requirements of the regulations. The Company has laid down procedures and policies to guide the operations of the business. Unit/functional heads are responsible for ensuring compliance with the policies and procedures laid down by the management. The Company's internal control systems are routinely tested by the Management, Statutory Auditors and Internal Auditors. The Tata Code of Conduct has prescribed guidelines outlining the key disclosure and governance requirements besides mandating the observance of applicable statutory requirements by the Company. Your Company and its senior management have affirmed adherence to the Code.

8. Internal Audit

The Internal audit function carries out a focused and risk based annual internal audit plan approved by the Audit Committee. The internal audit primarily focuses on the adequacy of appropriate systems and controls. The internal audit reports are reviewed by the Audit Committee periodically.

9. Cautionary statement

Certain statements made in this report relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamity, currency rate changes, among others over which the Company does not have any direct control.

10. Conclusion

Your Company's primary focus will be to grow volumes across markets. The Company will address each market depending on local conditions and consumer trends. While we recognise that the global environment is extremely challenging, there are new opportunities emerging to meet consumer needs. Your Company will focus on profitable growth through a mix of brand led growth, innovation and cost efficiencies.

Report on Corporate Governance for the Financial Year 2017-18

1. Company's Philosophy on Code of Governance

The corporate governance philosophy of your Company ensures transparency in all dealings and in the functioning of the management and the Board. These policies seek to focus on enhancement of long-term shareholder value without compromising on integrity, social obligations and regulatory compliances. The Company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders. It has set up a system which enables all its employees to voice their concerns openly and without any fear or inhibition. The corporate governance philosophy of the Company has been further strengthened through the Tata Code of Conduct, Tata Business Excellence Model and Tata Code for Prevention of Insider Trading & Code of Corporate Disclosure policies.

As a global organisation, the corporate governance practices followed by your Company are compatible with international standards and best practices. As a responsible corporate citizen, your Company had established systems to encourage and recognise employee participation and volunteering in environmental and social initiatives that contribute to organisational sustainability, systematic training, learning and personal growth, conservation of energy and other scarce resources, promoting safety and health of its employees and of the neighboring community etc. These actions have become an integral part of your Company's operating plans and are not meant for building of image or publicity.

2. Board of Directors

a. Composition & Category of Directors

The Company has an optimum combination of Executive and Non-Executive Directors including woman directors. As on 31st March, 2018, the Company had 10 directors and the composition of the Board of Directors is given in the table below. The Chairman of the Board is a Non-Executive Director and 80% of the Board comprises of Non-Executive Directors. In terms of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), at least 50% of the Board should comprise of Non-Executive Independent Directors with at least one woman director. The Independent Directors constituted 50% of the Board as on 31st March, 2018. The Company has three women directors on the Board who are holding offices as Non-Executive, Independent Directors.

Category	No. of Directors	% of total strength of the Board
Non-Executive, Non-Independent Directors	3	30.00
Managing & Executive Directors	2	20.00
Independent Directors	5	50.00
Total	10	100.00

b. Details of attendance of each Director at Board Meetings and at the last year's Annual General Meeting with particulars of their other Directorships and Chairman/Membership of Board Committees showing the position as at 31st March, 2018 are given in the following table:

Name of Director	Director Identification Number (DIN)	Category	Attendance at		Directorships [^] and Chairman/Membership of Board Committees [@] in other Indian Public Companies		
			Board Meetings	Last AGM	Director	Committee Member	Committee Chairman
Mr. N. Chandrasekaran*	00121863	C, NED & NI	6	Yes	6	-	-
Mrs. M. Srinivasan	00037022	NED & I	6	Yes	7	-	-
Mr. V. Leeladhar	02630276	NED & I	8	Yes	6	3	1
Mrs. Ranjana Kumar	02930881	NED & I	7	Yes	4	-	1
Mr. S. Santhanakrishnan [§]	00032049	NED & NI	8	Yes	6	3	3
Mrs. Ireena Vittal	05195656	NED & I	4	Yes	5	6	-
Mr. Siraj Azmat Chaudhry*	00161853	NED & I	5	Yes	1	-	-
Mr. Harish Bhat	00478198	NED & NI	8	Yes	6	3	1
Mr. Ajoy Misra	00050557	MD	8	Yes	2	-	-
Mr. L. KrishnaKumar	00423616	ED	8	Yes	2	-	-

C: Chairman; NI: Non-Independent; NED: Non-Executive Director; I: Independent Director; MD: Managing Director; ED: Executive Director

[^] Number of Directorships does not include Directorships in private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013.

@ Chairmanship/Membership of Board Committees includes membership of Audit and Stakeholder Relationship Committees of other Indian public limited companies only.

*During FY 2017-18, the Board appointed Mr. N. Chandrasekaran and Mr. Siraj Azmat Chaudhry as Non-Executive (Non-Independent) Director and as Non-Executive (Independent) Director respectively with effect from 3rd July, 2017. Mr. N. Chandrasekaran was also elected as Chairman of the Board effective 3rd July, 2017 consequent to Mr. Harish Bhat stepping down as Chairman effective close of 2nd July, 2017.

No director is a member of more than 10 Board Committees or Chairman of more than 5 Board Committees across all public limited companies where he/she is a Director. Further, no Independent Director serves as Independent Director in more than 7 listed companies.

None of the Directors of the Company holds any shares and / or convertible instruments in the Company.

Video / tele-conferencing facilities are used as and when required to facilitate Directors at other locations to participate in the meetings.

Particulars about Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Annexure to the Notice.

The Company has received declarations on criteria of independence as prescribed in Section 149(6) of the Companies Act 2013 and Regulation 16 (1) (b) of the Listing Regulations from the Directors of the Company who have been classified as Independent Directors as on 31st March, 2018.

§ Mr. S. Santhanakrishnan vide letter dated 11th May, 2018 had given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. The said declaration was considered by the Nomination and Remuneration Committee (NRC) at its meeting on 11th May, 2018 and the Board thereafter at its meeting on 11th May, 2018, based on the recommendation of the NRC approved the re-categorisation of Mr. Santhanakrishnan as an independent director effective 11th May, 2018. Approval of the members for the appointment of Mr. Santhanakrishnan as Independent Director is being sought at the forthcoming Annual General Meeting.

c. Number of board meetings and dates on which held

During 2017-18, the Board met eight times on 15th May, 2017, 30th May, 2017, 6th July, 2017, 11th August, 2017, 19th September, 2017, 14th November, 2017, 2nd February, 2018 and 21st March, 2018. The maximum time gap between two board meetings was less than 120 days. Minutes of the meetings of all the Board and Committees are circulated to all the Directors.

d. No director of the Company is related to any other director of the Company.

e. Familiarisation programme for Independent Directors

The Independent Directors have been familiarised with the Company, their roles and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc. During 2017-18, independent directors were taken through various aspects of the Company's business and operations. The details of familiarisation programmes imparted to the Independent Directors during 2017-18 are put up on the website of the Company and can be accessed at <http://tataglobalbeverages.com/company/leadership/board-of-directors>

f. Code of conduct

Tata Code of Conduct is a comprehensive written code which is applicable to all employees including the Managing Director and Executive Director. The Board has adopted a separate code of conduct applicable to the Non-Executive Directors. Both Tata Code of Conduct and the Code of Conduct for Non-Executive Directors have been posted on the website of the Company and can be accessed at <http://tataglobalbeverages.com/docs/default-source/board-of-directors/code-of-conduct-for-non-executive-directors.pdf>

In respect of financial year 2017-18, all Board members and Senior Management personnel of the Company have affirmed compliance with the code as applicable to them and a declaration to this effect signed by the Managing Director and CEO is published in this Annual Report.

g. Formal letter of appointment to the Independent Directors

The Company has issued formal letters of appointment to all the Independent Directors on their appointment explaining inter-alia, their roles, responsibilities, code of conduct, functions and duties as directors of the Company. The terms and conditions of appointment of independent directors have been

posted on the website of the Company and can be accessed at <http://tataglobalbeverages.com/docs/default-source/board-of-directors/terms-and-conditions-of-appointment-of-independent-directors.pdf>

h. Separate meeting of Independent Directors

During the financial year 2017-18, the Independent Directors met separately on 21st March, 2018 without the presence of Non-Independent Directors and members of the management in compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Companies Act, 2013. In the said meeting, the Independent Directors inter-alia considered the following:

- i. Review of performance of Non-Independent Directors and the Board as a whole;
- ii. Review of performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

3. Audit Committee

a. Brief description of terms of reference

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 Companies Act, 2013. The role and terms of reference of the Audit Committee are inter-alia as under:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommending the appointment and removal of Statutory Auditors, fixation of audit fee and approval for payment for any other services;
- iii. Review with the management and statutory auditors of the annual financial statements before submission to the Board with particular reference to:
 - (a) Matters required to be included in the directors' responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- (b) Changes, if any, in accounting policies and practices and reasons for the same;
- (c) Major accounting entries involving estimates based on the exercise of judgment by management;
- (d) Significant adjustments made in the financial statements arising out of audit findings;
- (e) Compliance with listing and other legal requirements relating to financial statements;
- (f) Disclosure of any related party transactions;
- (g) Modified opinion(s) in the draft audit report;
- iv. Review of the quarterly and half yearly financial results with the management and the statutory auditors;
- v. Examination of the financial statement and the auditors' report thereon;
- vi. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;
- vii. Approval or any subsequent modification of transactions with related parties;
- viii. Scrutiny of inter-corporate loans and investments;
- ix. Review of valuation of undertakings or assets of the company wherever it is necessary;
- x. Evaluation of internal financial controls and risk management systems;
- xi. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;
- xii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- xiii. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xiv. Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;

- xv. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- xvi. Review the functioning of the whistle blower mechanism;
- xvii. Review and monitor the end use of funds raised through public offers and related matters;
- xviii. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
- xix. Frame and review policies in relation to implementation of the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Policies and supervise its implementation under the overall supervision of the Board;
- xx. Review of the following information:
 - (1) Management discussion and analysis of financial condition and results of operations;
 - (2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - (4) Internal audit reports relating to internal control weaknesses;
 - (5) The appointment, removal and terms of remuneration of the Chief Internal Auditor;
 - (6) Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
 - (b) Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus in terms of Regulation 32(7), if applicable
- xxi. Carrying out any other function as may be referred to the Committee by the Board.
- xxii. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

b. Composition, names of members and Chairman

As on 31st March, 2018, all members of the Audit Committee are Non-Executive Directors and three of them, including the Chairman are Independent Directors. All the members of the Audit Committee are financially literate as defined in Regulation 18 (1)(c) of the Listing Regulations.

Mr. V. Leeladhar is the Chairman of the Audit Committee. He has expert knowledge in banking and financial matters. He was present at the last Annual General Meeting of the Company held on 18th August, 2017.

The composition of the Audit Committee as on 31st March, 2018 and particulars of attendance by the members at the meetings of the Committee held in 2017-18 are given below:

Name	Category	No. of meetings Attended
Mr. V. Leeladhar, Chairman	Independent, Non-Executive	5
Mrs. Ranjana Kumar	Independent, Non-Executive	5
Mr. S. Santhanakrishnan [§]	Non-Independent, Non-Executive	5
Mrs. Ireena Vittal	Independent, Non-Executive	2
Mr. Siraj Azmat Chaudhry*	Independent, Non-Executive	NA
Mr. Harish Bhat*	Non-Independent, Non-Executive	NA

*Mr. Harish Bhat and Mr. Siraj Azmat Chaudhry were inducted as members of the Audit Committee w.e.f. 21st March, 2018.

[§] Mr. S. Santhanakrishnan was re-categorised as an Independent Director w.e.f. 11th May, 2018.

c. Meetings and attendance during the year

During 2017-18, five Audit Committee meetings were held on 29th May, 2017 10th August, 2017, 13th November, 2017, 2nd February, 2018 and 20th March, 2018. The Audit Committee Meetings were attended by invitation by the Managing Director, Executive Director, Chief Financial Officer, Chief Internal Auditor and the Statutory Auditors. The Company Secretary acted as the Secretary of the Audit Committee.

4. Nomination and Remuneration Committee

a. Brief description of terms of reference

The Nomination and Remuneration Committee set up by the Board is inter-alia responsible:

- i. To support the Board in matters related to set up and composition of the Board, its Committees and the leadership team including formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors, a policy relating to remuneration of the Directors, Key Managerial Personnel and other employees.
- ii. To carry out evaluation of every director's performance and support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and individual directors;
- iii. To support the Board in matters related to remuneration of directors, KMP, executive team and other employees
- iv. To extend oversight on the familiarisation programme of directors;
- v. To extend oversight on the HR philosophy, HR and People Strategy and key HR practices;
- vi. For recommending to the Board, the remuneration package of Managing and Executive Directors, including their annual increment and incentive remuneration after reviewing their performance;
- vii. For devising a policy on diversity of board of directors;
- viii. For identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- ix. To decide on whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors.

b. Composition, name of members and Chairperson

As on 31st March, 2018, the Nomination and Remuneration Committee consisted of four directors, all of whom are Non-Executive Directors. Mrs. Ranjana Kumar, Independent Director is the Chairperson of the Committee.

The composition of the Committee as at 31st March, 2018 and particulars of attendance by the members at the meetings of the Committee held in 2017-18 are given below:

Name	Category	No. of meetings Attended
Mrs. Ranjana Kumar, Chairperson	Independent, Non-Executive	4
Mr. N. Chandrasekaran*	Non-Independent, Non-Executive	1
Mr. V. Leeladhar	Independent, Non-Executive	4
Mr. Harish Bhat	Non-Independent, Non-Executive	4

*Mr. N. Chandrasekaran was inducted as a member of the Committee w.e.f. 3rd July, 2017

c. Meetings and attendance during the year

The Nomination and Remuneration Committee met four times during 2017-18 on 15th May, 2017, 29th May, 2017, 28th June, 2017 and 21st March, 2018 and the particulars of attendance by the members at the meetings of the Committee held in 2017-18 are mentioned in 4(b) above.

d. Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual performance evaluation was carried out for 2017-18 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholder Relationship and CSR Committees. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared based on the Guidance note issued by SEBI vide circular no, CMD/CIR/P/2017/004 dated 05.01.2017.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board except for the Director being evaluated. The Directors expressed their satisfaction with the evaluation process.

e. Remuneration Policy

The details of the Company's Remuneration policy for Directors, Key Managerial Personnel and other employees is mentioned in the Board's Report.

The remuneration policy followed by the Company takes into consideration performance of the Company during the year and of the Managing and Executive Directors on certain parameters, such as condition of the industry, achievement of budgeted targets, growth & diversification, remuneration in other companies of comparable size and complexity, performance of the directors at meetings of the Board and of the Board Committees etc.

5. Remuneration of Directors

- a) During the year, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from sitting fees and commission.

b) Non-Executive Directors' compensation and disclosures

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 Rs. 30,000 per meeting per director for attending meetings of the Board, Audit, Nomination and Remuneration and Executive

Committees (Rs. 20,000 in case of Mr. N. Chandrasekaran, Chairman and Mr. Harish Bhat, Director). For meetings of all other Committees of the Board, a sitting fee of Rs. 20,000 per meeting per director is paid (Rs.10,000 in case of Mr. N. Chandrasekaran, Chairman and Mr. Harish Bhat, Director). The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the meetings.

Within the ceiling of 1% of net profits of the Company computed under the applicable provisions of the Companies Act, 2013, the Non-Executive Directors including Independent Directors are also paid a commission, the amount whereof is determined by the Board. The basis of determining the specific amount of commission payable to a Non-Executive Director is related to his attendance at meetings, role and responsibility as chairman/member of the Board/Committees and overall contribution as well as time spent on operational matters other than at the meetings. The shareholders of the Company had approved payment of commission to the Non-Executive directors at the Annual General Meeting held on 26th August, 2014, which is valid up to the financial year ended 31st March, 2019. The Company will be seeking approval of the shareholders for payment of commission to the Non-Executive Directors for all subsequent financial years commencing from 1st April, 2019 as provided in Section 197 of the Companies Act, 2013, at the forthcoming Annual General Meeting. No Stock option has been granted to the Non-Executive Directors.

Non-Executive Directors' Remuneration			Rs. in Lakhs
	Commission* (Relating to 2016-17)	Commission# (Relating to 2017-18)	Sitting Fees
Mr. N. Chandrasekaran ^	-	-	1.40
Mrs. Mallika Srinivasan	15	20	1.80
Mr. Analjit Singh@	4	NA	NA
Mr. V. Leeladhar	80	84	7.50
Mrs. Ranjana Kumar	58	70	6.45
Mr. Darius Pandole@	26	NA	NA
Mr. S. Santhanakrishnan	47	50	4.95
Mrs. Ireena Vittal	35	21	1.95
Mr. Siraj Azmat Chaudhry^	NA	15	1.50
Mr. Harish Bhat	-	-	3.20

*Paid in 2017-18, # Payable in 2018-19

^Mr. N. Chandrasekaran and Mr. Siraj Azmat Chaudhry were appointed as Directors w.e.f. 3rd July, 2017.

@ Resigned w.e.f. 20th December, 2016

Note: The resolutions appointing these directors do not provide for payment of severance fees.

c) (i) & (ii) The Remuneration details of Managing Director / Executive Director are mentioned below:

	Rs. in Lakhs	
	Mr. Ajoy Misra Managing Director	Mr. L. KrishnaKumar Executive Director
Salary as per provisions contained in Section 17(1) of the income-tax Act, 1961	294.30	244.36
Allowances and perquisites	76.74	69.15
Contribution to Retiral Funds	31.88	26.57
Incentive	-	-
Stock option	-	-
No. of Shares held	Nil	Nil
Service Contract	5 years from 1 st April, 2014	5 years from 1 st April, 2018*
Notice period	6 months	6 months

* subject to shareholders' approval

In addition, both Mr. Ajoy Misra and Mr. L. KrishnaKumar drew the following remuneration during 2017-18 from an overseas subsidiary of the Company:

Salary and Benefits	45.12	36.67
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Note: The remuneration drawn in GBP has been converted into INR at average exchange rate.

(iii) The terms of appointment of the Managing and Executive Directors provide that the appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months remuneration in lieu thereof.

Note: The resolutions appointing these directors do not provide for payment of severance fees.

(iv) Stock options

The Company has not granted Stock Option to any of its Directors.

6. Stakeholder Relationship Committee

a. Composition, name of members and Chairman of the Committee

As on 31st March, 2018, the Stakeholder Relationship Committee comprised of 3 members. Mr. V. Leeladhar is the Chairman and Mr. S. Santhanakrishnan and Mr. L. KrishnaKumar are the other members of the said Committee.

The Committee held three meetings during 2017-18 on 10th August, 2017, 13th November, 2017, and 20th March, 2018. The Committee's terms of reference, inter-alia includes consideration and resolving the grievances of shareholders. The Committee also oversees the performance of the Registrar

and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services as and when need arises.

To expedite the process of share transfers, the Board has delegated the power of share transfer to the Registrars and Share Transfer Agent and share transfer formalities are approved by them on a fortnightly basis. The composition of the Committee and details of attendance by its members at the meetings of the Committee held in 2017-18 are given below:

Name	Category	No. of meetings Attended
Mr. V. Leeladhar, Chairman	Independent, Non-Executive	3
Mr. S. Santhanakrishnan [§]	Non-Independent, Non-Executive	3
Mr. L. KrishnaKumar	Non-Independent, Executive	3

[§] Mr. S. Santhanakrishnan was re-categorised as an Independent Director of the Company w.e.f. 11th May, 2018

b. Name and designation of Compliance Officer

Mr. V. Madan, Vice-President & Company Secretary is the Compliance Officer for complying with the requirements of Securities laws.

c. Number of shareholders' complaints received, number not solved to the satisfaction of shareholders and number of pending complaints

Given below are the position of queries/complaints and other correspondences received and attended to during 2017-18 in respect of equity shares:

	Complaints	Queries/ Other Correspondence
For non-receipt of dividend / shares lodged for transfer, demat	11	2,648
Other Queries / Requests received from shareholders	9	1,622
Queries / Complaints redressed	20	4,216
Pending queries / Complaints as on 31/03/2018*	0	54

*Replied in April, 2018

Every letter received from the investors is replied and the response time for shareholders' queries/correspondences during FY 2017 -18 is shown in the following table:

	Number	%
Total number of correspondence received during 2017-18	4,290	100.00
Replied within 1 to 4 days of receipt	2,076	48.39
Replied within 5 to 7 days of receipt	1,202	28.02
Replied within 8 to 15 days of receipt	800	18.65
Replied after 15 days of receipt	158	3.68
Received in last week of March 2018 and replied in April 2018	54	1.26

7. Other Board Committees

The Board has constituted following other Board committees besides the committees mentioned above:

a) Ethics and Compliance Committee:

The Board has constituted an Ethics and Compliance Committee to look into the requirements under SEBI (Prohibition of Insider Trading) Regulations, the Tata Code of Conduct for prevention of Insider Trading and Tata Code of Conduct. Three meetings of the said Committee were held during 2017-18 on 10th August, 2017, 13th November, 2017 and 20th March, 2018. The composition of the Committee and details of attendance by its members at the meetings during 2017-18 are given below:

Name	Category	No. of meetings Attended
Mr. V. Leeladhar, Chairman	Independent, Non-Executive	3
Mrs. Ranjana Kumar	Independent, Non-Executive	3
Mr. Ajoy Misra	Non-Independent, Executive	3

b) Corporate Social Responsibility Committee

The Board has constituted a Corporate Social Responsibility Committee (CSR) to look into the following:

- Matters specified in Section 135 of the Companies Act, 2013 which inter-alia includes:
 - (a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
 - (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
 - (c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.
- Monitor and provide guidance on Company's policies on environment management, social responsibilities, health & safety, product stewardship, community development, principles of managing branded operations, etc.
- Provide guidance on welfare activities in and around Munnar.

Two meetings of the CSR Committee were held during 2017-18 on 13th November, 2017 and 20th March, 2018. The composition of the Committee and details of attendance by its members at the meetings during 2017- 18 are given below:

Name	Category	No. of meetings Attended
Mrs. Ranjana Kumar, Chairperson	Independent, Non-Executive	2
Mr. V. Leeladhar	Independent, Non-Executive	2
Mr. S. Santhanakrishnan [§]	Non-Independent, Non- Executive	2
Mr. Ajoy Misra	Non-Independent, Executive	2

[§] Mr. S. Santhanakrishnan was re-categorised as an Independent Director of the Company w.e.f. 11th May, 2018

Dr. S. Parasuraman is an expert member of the CSR Committee and is a permanent invitee for the CSR committee meetings.

c) Executive Committee

The Board has constituted an Executive Committee to review business and strategy, long-term financial projections and cash flows, capital/revenue budgets and capital expenditure

programmes, acquisition/divestment, business restructuring proposals, senior management succession planning and any other item that the Board may decide to delegate. No meetings of the said committee were held during 2017-18. However the matters mentioned above, as and when required, was reviewed by the Board from time to time. The composition of the Committee as on 31st March, 2018 is given below:

Name	Category
Mr. Harish Bhat, Chairman	Non-Independent, Non- Executive
Mrs. Ireena Vittal	Independent, Non- Executive
Mr. Ajoy Misra	Non-Independent, Executive
Mr. L. KrishnaKumar	Non-Independent, Executive

d) Risk Management Committee

The Risk Management Committee of the Board of Directors has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's risk management framework. The Company has a comprehensive Risk policy and a Risk Register detailing the risks that the Company faces under various categories like strategic, financial, commercial, operational, IT, legal, regulatory, people, reputational and other risks and these have been identified and suitable mitigation measures have also been formulated. The Risk Management Committee reviews the key risks and the risk register and the mitigation measures periodically.

Three meetings of the Risk Management Committee were held during 2017-18 on 10th August, 2017, 13th November, 2017 and 20th March, 2018. The composition of the Risk Management Committee as on 31st March, 2018 and particulars of attendance by the members at the meetings held in 2017-18 are given below:

Name	Category	No. of meetings Attended
Mr. V. Leeladhar, Chairman	Independent, Non-Executive	3
Mrs. Ranjana Kumar	Independent, Non-Executive	3
Mr. S. Santhanakrishnan [§]	Non-Independent, Non-Executive	3
Mrs. Ireena Vittal	Independent, Non-Executive	1
Mr. Harish Bhat	Non-Independent, Non-Executive	3
Mr. Siraj Azmat Chaudhry*	Independent, Non-Executive	NA

[§] Mr. S. Santhanakrishnan was re-categorised as an Independent Director of the Company w.e.f. 11th May, 2018

* Mr. Siraj Azmat Chaudhry was inducted as a member of the Committee w.e.f. 21st March, 2018

e) Committee for Special Projects

The Committee for special Projects of the Board of Directors has been entrusted with the responsibility to inter-alia discuss and review various matters pertaining to development of the Bangalore Property of the Company, Treasury / Forex matters, activities relating to the welfare centers in Munnar, the High Range School activities etc.

Three meetings of the Committee for Special Projects were held during 2017-18 on 10th August, 2017, 13th November, 2017 and 20th March, 2018. The composition of the Committee for Special Projects as on 31st March, 2018 and particulars of attendance by the members at the meetings held in 2017-18 are given below:

Name	Category	No. of meetings Attended
Mr. V. Leeladhar, Chairman	Independent, Non-Executive	3
Mrs. Ranjana Kumar	Independent, Non-Executive	3
Mr. Harish Bhat	Non-Independent, Non-Executive	3
Mr. Ajoy Misra	Non-Independent, Executive	3
Mr. L. KrishnaKumar	Non-Independent, Executive	3

f) M & A and Divestiture Committee

The M & A and Divestiture Committee of the Board of Directors has been entrusted with the responsibility to inter-alia consider

opportunities to grow inorganically and evaluate proposals in this regard, approve and submit non-binding bids in connection with proposed acquisitions subject to satisfactory completion of customary due diligence, considering investments in companies which are in similar lines of business and make recommendations to the Board. The Committee is also mandated to consider the Company's diversification / entry into new lines of business / new product lines/ entry into new geographies as well as to consider divestments / exiting from certain businesses and make recommendations to the Board.

Two meetings of the M & A and Divestiture Committee were held during 2017-18 on 26th May, 2017 and 4th August, 2017. The composition of the M & A and Divestiture Committee as on 31st March, 2018 and particulars of attendance by the members at the meetings held in 2017-18 are given below:

Name	Category	No. of meetings Attended
Mr. V. Leeladhar, Chairman	Independent, Non-Executive	2
Mr. Harish Bhat	Non-Independent, Non-Executive	2
Mr. Ajoy Misra	Non-Independent, Executive	2
Mr. L. KrishnaKumar	Non-Independent, Executive	2
Mr. Siraj Azmat Chaudhry*	Independent, Non-Executive	NA

* Mr. Siraj Azmat Chaudhry was inducted as a member of the Committee w.e.f. 21st March, 2018

8. General Body Meetings

- a. Location and time where last three AGMs were held and number of special resolutions passed in the previous 3 AGMs

Year	Location	Date	Time	No. of Special Resolutions approved at the AGM
2014-2015	The Oberoi Grand 15, Jawaharlal Nehru Road, Kolkata – 700 013	14 th August, 2015	10.30 am	Nil
2015-2016	Same as above	24 th August, 2016	10.30 am	1
2016-2017	Taj Bengal, 34-B, Belvedere Road, Alipore, Kolkata – 700 027	18 th August, 2017	10.30 am	1

- b. Whether any special resolution passed last year through postal ballot – details of voting pattern - No special resolutions were passed during 2017-18 through postal ballot.
- c. Person who conducted the postal ballot exercise: N.A.
- d. Whether any special resolution is proposed to be conducted through postal ballot: At present there is no proposal to pass any special resolution through postal ballot.
- e. Procedure for postal ballot: N.A.

9. Means of Communication

a	Quarterly results	The quarterly results are published in the newspapers and displayed on the Company's website. The quarterly results for three months ended 31 st December, 2017 was sent by email in February 2018 to those shareholders whose email ids were registered with the Company.
b	Newspapers wherein results normally published	The quarterly results are generally published in Business Standard (All India Edition) (English) and Sangbad Pratidin (Bengali).
c	Any website, where displayed	The quarterly results of the Company are put on the website of the Company after these are submitted to the Stock Exchanges. Our website address is www.tataglobalbeverages.com
d	Whether it also displays official news releases	Yes
e	The presentations made to institutional investors or to analysts	The Company made a presentation to financial analysts on 30 th May, 2017 after the results for the financial year 2016-17 were approved by the Board. A similar presentation was made to analysts after the results for the quarter and half year ended 30 th September, 2017 were approved by the Board. There was a conference call with financial analysts on 11 th August, 2017 and 2 nd February, 2018, after the financials for the quarters ended 30 th June, 2017 and 31 st December, 2017 were approved by the Board.
f	Half Yearly results	The half yearly results for the six months ended 30 th September, 2017 was sent by email / post to all the shareholders in November, 2017.

10. General Shareholder information

a. Annual General Meeting

Day	Date	Time	Venue	Book Closure Period	Dividend payment date
Thursday	5 th July, 2018	10.30 a.m.	Taj Bengal, 34-B, Belvedere Road, Alipore, Kolkata – 700 027	22 nd June, 2018 to 5 th July, 2018 (both days inclusive)	On or after 9 th July, 2018

b. Financial Year: April 1 to March 31

c. Financial calendar

Board Meetings for approval of	Tentative dates
Annual Accounts for 2017-18 and Financial Results for 4 th Quarter for 2017-18	11 th May, 2018
Financial Results for 1 st Quarter 2018-19	Before 14 th August, 2018
Financial Results for 2 nd Quarter 2018 -19	Before 14 th November, 2018
Financial Results for 3 rd Quarter 2018-19	Before 14 th February, 2019
Annual Accounts 2018-19	Before end of May, 2019

d. Name and address of each Stock Exchange at which Company Shares are listed and Stock Code

Listing on Stock Exchanges	Name	Address	Stock Code
Equity Shares	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	500800
	National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	'TATAGLOBAL'
	The Calcutta Stock Exchange Association Limited	7, Lyons Range, Kolkata – 700 001	27 (For Physical); 10000027 (For Demat)
Global Depository Shares	Luxembourg Stock Exchange London Stock Exchange		

Dematerialisation

Name	Address	ISIN
National Securities Depository Limited	Trade World, 5 th Floor, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013	INE 192A01025
Central Depository Services Limited	17 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 023	

Listing Fees

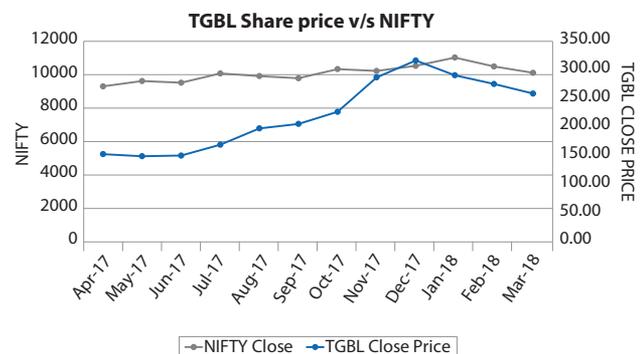
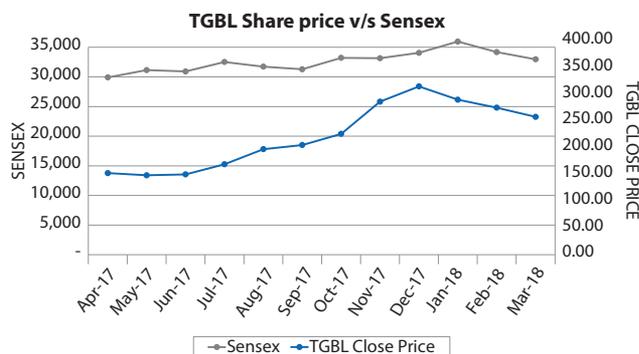
Annual listing fees for 2018-19 have been paid to all the Stock Exchanges where the securities of the Company are listed.

e. Market price data – High, Low and number of shares traded during each month in the last Financial Year

Month	BSE			NSE		
	High Rs.	Low Rs.	No. of Shares Traded	High Rs.	Low Rs.	No. of Shares Traded
April 2017	156.40	147.00	42,67,842	156.60	147.50	2,96,70,893
May 2017	161.60	140.50	57,35,158	161.45	140.20	3,69,94,187
June 2017	162.80	145.90	54,13,617	162.75	145.75	4,68,48,705
July 2017	179.25	149.60	1,20,43,636	179.30	149.75	9,98,06,181
August 2017	203.00	152.10	1,69,07,456	203.00	152.05	14,26,22,276
September 2017	220.25	190.50	5,65,53,862	220.20	190.50	9,94,69,196
October 2017	229.70	202.40	1,02,98,633	230.25	202.60	7,97,51,417
November 2017	291.75	221.55	1,74,45,478	292.20	221.30	16,53,89,012
December 2017	316.50	273.75	78,45,702	318.00	273.60	10,53,58,339
January 2018	328.80	286.10	67,40,992	328.75	286.10	7,86,40,438
February 2018	293.85	249.95	77,00,780	294.90	253.25	8,49,82,228
March 2018	284.40	251.10	68,85,510	284.40	250.00	5,54,61,632

BSE: BSE Limited., NSE: National Stock Exchange of India Limited

The market share price data is graphically represented below:



There was no trading of the Company’s shares on the Calcutta Stock Exchange during 2017-18.

f. Performance in comparison to broad-based indices

One year performance	NSE	BSE
Company's share price		
- As at 3 rd April, 2017	150.65	151.90
- As at 28 th March, 2018	258.75	258.45
- Change	71.76%	70.14%
	S & P CNX NIFTY	Sensex
Indices		
- As at 3 rd April, 2017	9220.60	29737.73
- As at 28 th March, 2018	10113.70	32968.68
- Change	9.69%	10.86%
Five year performance	NSE	BSE
Company's share price		
- As at 1 st April, 2013	128.50	130.00
- As at 28 th March, 2018	258.75	258.45
- Change	101.36%	98.81%
Indices		
- As at 1 st April, 2013	5697.35	18890.81
- As at 28 th March, 2018	10113.70	32968.68
- Change	77.52%	74.52%

g. (i) Registrar & Transfer Agents

	Address	Contact details
Registered office:	TSR Darashaw Limited 6-10 Haji Moosa Patrawala Ind. Estate, 20 Dr. E Moses Road, Mahalaxmi, Mumbai – 400 011	Telephone: 022-66568484 Fax: 022-66568494 Website: www.tsrdarashaw.com E-mail: csg-unit@tsrdarashaw.com
Branch Offices at :		
South	TSR Darashaw Limited 503, Barton Centre, 5 th Floor 84, Mahatma Gandhi Road, Bangalore – 560 001	Tel: 080-25320321 Fax: 080-25580019 E-mail: tsrdlbg@tsrdarashaw.com
East	TSR Darashaw Limited Tata Center, 43, J L Nehru Road, Kolkata – 700 071	Tel: 033-22883087 Fax: 033-22883062 E-mail: tsrdlcal@tsrdarashaw.com
	TSR Darashaw Limited Bungalow No. 1, 'E' Road, Northern Town, Bistupur, Jamshedpur – 831 001	Tel: 0657-2426616 Fax: 0657-2426937 E-mail: tsrdljsr@tsrdarashaw.com
North	TSR Darashaw Limited 2/42 Sant Vihar, Ansari Road, Daryaganj, New Delhi – 110 002	Tel: 011-23271805 Fax: 011-23271802 E-mail: tsrdldel@tsrdarashaw.com
Agent of the Registrar: Shah Consultancy Services Limited	3, Sumathinath Complex, Pritam Nagar, Akhada Road, Ellisbridge, Ahmedabad – 380 006	Telefax: 079-26576038 E-mail: shahconsultancy8154@gmail.com

The Registrars can be contacted between 10.00 a.m. and 3.30 p.m. on any working day (Monday to Friday, excluding bank/ public holidays)

(ii) Shareholders' Relation Cell

Contact Person	Address	Contact details
Mr. V. Madan, Vice-President & Company Secretary	Tata Global Beverages Limited Kirloskar Business Park, 4 th Floor, Block "C", New Airport Road, Hebbal, Bangalore – 560 024	Tel: 080-67171200, Fax: 080-67171201 Website: www.tataglobalbeverages.com E-mail: investor.relations@tgbl.com
Mr. Neelabja Chakrabarty Director- Company Secretarial	Tata Global Beverages Limited New Excelsior Building 4 th Floor A.K. Nayak Marg , Fort Mumbai- 400 001	Tel: +91 22 6636 6700 Website: www.tataglobalbeverages.com Email : investor.relations@tgbl.com
Ms. Deepika Srivastava Manager-Legal and Secretarial	Tata Global Beverages Limited Kirloskar Business Park, 4 th Floor, Block "C", New Airport Road, Hebbal, Bangalore – 560 024	Tel: 080-67171200, Fax: 080-67171201 Website: www.tataglobalbeverages.com E-mail: investor.relations@tgbl.com
Mr. Shibshankar Roy	Tata Global Beverages Limited 1, Bishop Lefroy Road, Kolkata – 700 020	Tel: 033-22836917 Fax: 033-22833032

h. Share transfer system

Shares in physical form for transfer, should be lodged with the office of the Company's Registrar & Share Transfer Agent, TSR Darashaw Limited, Mumbai or at their branch offices at the addresses given in 10(g)(i) above or at the registered office of the Company. The transfers are processed if technically found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialised form.

i. Distribution of Shareholding

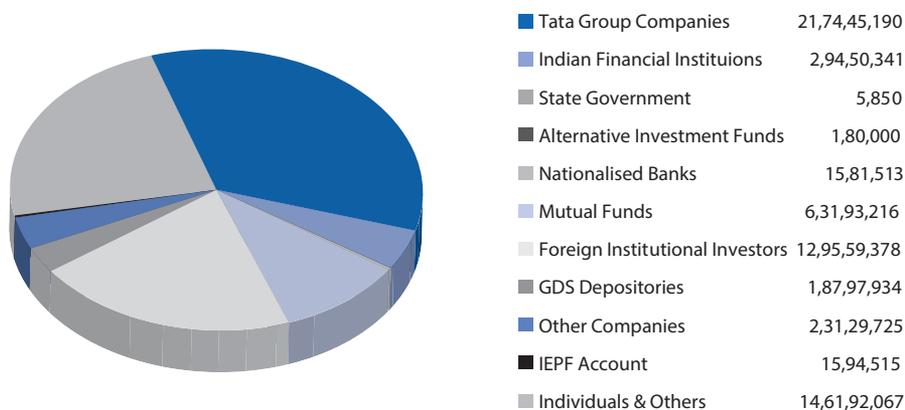
Distribution of Shareholding as at 31st March, 2018

No. of Shares	Holding	Amount (Rs.)	% to Capital	No. of Holders	% to Total Holders
1 to 500	2,06,40,142	2,06,40,142	3.27	1,63,436	81.30
501 to 1000	1,21,09,141	1,21,09,141	1.92	14,799	7.36
1001 to 2000	1,41,82,914	1,41,82,914	2.25	9,291	4.62
2001 to 3000	1,01,07,221	1,01,07,221	1.60	3,990	1.99
3001 to 4000	76,92,426	76,92,426	1.22	2,174	1.08
4001 to 5000	78,55,990	78,55,990	1.24	1,688	0.84
5001 to 10000	2,14,67,679	2,14,67,679	3.40	2,996	1.49
Greater than 10000	53,70,74,216	53,70,74,216	85.10	2,662	1.32
Total	63,11,29,729	63,11,29,729	100.00	2,01,036	100.00

Categories of Shareholders as at 31st March, 2018

Sl. No.	Particulars	No. of Accounts	Holdings/Shares held	% to Capital
1	Tata Group Companies	10	21,74,45,190	34.45
2	Indian Financial Institutions	23	2,94,50,341	4.67
3	State Government	1	5,850	0.00
4	Alternative Investment Funds	1	1,80,000	0.03
5	Nationalised Banks	22	15,81,513	0.25
6	Mutual Funds	126	6,31,93,216	10.01
7	Foreign Institutional Investors	224	12,95,59,378	20.53
8	GDS Depositories	1	1,87,97,934	2.98
9	Other Companies	2,153	2,31,29,725	3.67
10	IEPF Account	1	15,94,515	0.25
11	Individuals & Others	1,98,474	14,61,92,067	23.16
	Total	2,01,036	63,11,29,729	100.00

The category-wise shareholding is also shown in the chart below:



j. Dematerialisation of shares and liquidity

The process of conversion of shares from physical form to electronic form is known as dematerialisation. For dematerialising the shares, the shareholders should open a demat account with a Depository Participant (DP). The shareholder is required to fill in a Demat Request Form and submit the same along with the original share certificates to his DP. The DP will allocate a demat request number and shall forward the request physically and electronically through NSDL/CDSL to the Registrar & Transfer Agent. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialised and an electronic credit of the shares is given in the account of the shareholder.

k. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

As on 31st March, 2018, the outstanding Global Depository Shares were 1,87,97,934. The GDSs are convertible into fully paid equity shares on 1:1 basis. The underlying shares against the outstanding GDSs have been allotted in the name of the Depository. There is no ADR or convertible instrument outstanding as on 31st March, 2018.

l. Commodity price risk or foreign exchange risk and hedging activities

Tea is a multi-harvest agricultural commodity and is sold through public auction or by private treaty. Price levels reflect supply/demand position and as an agricultural crop, supply/demand balance may change quickly when weather conditions are adverse. To manage supply risk the Company spreads its buying between public auction and private treaties.

Cyclical swings in coffee commodity markets are common and the most recent years have been especially volatile for the price of coffee. Increases in the cost of green coffee could reduce our gross margin and profit. Your Group has a robust framework in place to protect its interests from risks arising out of market volatility. Based on market intelligence and continuous monitoring, the sales and procurement teams take appropriate strategy to deal with such market volatility.

Volatility in currency exchange movements in CAD, USD, GBP and AUD can pose challenges to the Company's operations through earnings dilution. The Company has established currency hedging policies and practices to manage these risks.

m. Plant locations:

1. Bangalore Packeting Centre	Survey No. 14/4, A2 & 14/5, NH 4, Bangalore Tumkur Road, Malonagathi Hally, T. Begur Post, Nelamangla Taluk, Bangalore Rural District, Karnataka – 562123
2. Periakanal Estate	PO Munnar, Dist. Idukki, Kerala – 685612
3. Pullivasal Estate & Packeting Centre	PO Munnar, Dist. Idukki, Kerala – 685612
4. Instant Tea Operations (including Nullatani factory)	Post Box no. 3, Idukki District, Munnar, Kerala – 685612
5. Tetley (Tea Bag) Division	73/74 KPK Menon Road, Willingdon Island, Kochi, Kerala – 682 003
6. Mineral Water Plant	Village Dhaula Kuan, District Sirmour, Himachal Pradesh – 173 025

In addition to the above locations, the Company also operates through third party contract manufacturers at several locations.

n. Address for correspondence

Given against 10(g)(ii) above

11. Transfer of unclaimed / unpaid dividend to the Investor Education and Protection Fund (IEPF)

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Companies Act, 2013, read with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the IEPF, maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed or unpaid in respect of dividends declared upto the financial year ended 31st March, 2010 have been transferred to the IEPF. The details of the unclaimed dividends so transferred are available on the Company's website, www.tataglobalbeverages.com and in the website of the Ministry of Corporate Affairs at www.mca.gov.in.

It may be noted that the unclaimed dividend for the financial year 2010-11 declared on 30th August, 2011, is due to be transferred to the IEPF by 4th October, 2018. The same can however be claimed by the Members by 20th September, 2018.

Members who have not encashed the dividend warrant(s) from the financial year ended 31st March, 2011 onwards may forward their claims to the Company's Registrar and Share Transfer Agents before they are due to be transferred to the IEPF, details of which are given below.

In accordance with Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the demat Account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended 31st March, 2009 and 2010 and remained unpaid or unclaimed were due to be transferred to the IEPF. The Company had sent notices to all such members in this regard and published a newspaper advertisement and thereafter transferred the shares to the IEPF during financial year 2017-18. The details of such shares transferred have been uploaded in the Company's website www.tataglobalbeverages.com.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in Form IEPF -5 (available on iepf.gov.in) along with requisite fees as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

The following table gives information relating to outstanding dividend accounts and the dates when due for transfer to IEPF:

Financial year ended	Date of payment of dividend	Last date for claiming Unpaid dividend	Transfer to IEPF in
31 st March, 2011	02.09.2011	20 th September, 2018	October 2018
31 st March, 2012	03.09.2012	21 st September, 2019	October 2019
31 st March, 2013	18.07.2013	6 th August, 2020	August 2020
31 st March, 2014	28.08.2014	15 th September, 2021	September 2021
31 st March, 2015	19.08.2015	5 th September, 2022	September 2022
31 st March, 2016	26.08.2016	13 th September, 2023	September 2023
31 st March, 2017	21.08.2017	6 th September, 2024	September 2024

Following are the details of unpaid dividend which will be due for transfer to IEPF upto 31st March, 2019:

Nature of payment	Date of payment	Last date for claiming Unpaid dividend	Transfer to IEPF by
Dividend	02.09.2011	20 th September, 2018	4 th October, 2018

While the Registrar of the Company has already written to the shareholders informing them about the due dates of transfer to IEPF for these payments, attention of the shareholders is again drawn to this matter through the Annual Report.

Top Ten Shareholders

As at 31st March, 2018, the top ten shareholders of the Company were as follows:-

Sl. No.	Name of the Shareholder	No. of Shares	% to Capital
1	Tata Sons Limited	18,60,29,710	29.48
2	Tata Investment Corporation Limited	2,69,45,000	4.27
3	Baron Emerging Market fund	1,91,10,656	3.03
4	Deutsche Bank Trust Company Americas	1,87,97,934	2.98
5	Life Insurance Corporation of India	1,78,51,960	2.83
6	Mirae Asset (*)	1,23,74,323	1.96
7	Government Pension Fund Global	1,19,82,045	1.90
8	UTI Mutual Fund (*)	97,45,731	1.54
9	First State Investments Icvc- Stewarts Investors Asia Pacific Fund	90,77,713	1.44
10	Tata Mutual Fund (*)	66,97,000	1.06

(*) Various Sub Accounts

12. Other disclosures

- a Disclosures on materially significant related party transactions that may have potential conflict with the interest of company at large:
- Details of transactions with the related parties as specified in Indian Accounting Standards (Ind AS 24) have been reported in the Financial Statements. There was no transaction of a material nature with any of the related parties which was in conflict with the interest of the Company.
- b Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years:
- There was no such instance in the last three years.

- c Whistle-blower policy and affirmation that no personnel has been denied access to the Audit Committee:

The Board has approved a whistle-blower policy/vigil mechanism which have been communicated to the employees. The policy provides a mechanism for employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Tata Code of Conduct and provides safeguards against victimisation of employees who avail the mechanism.

The policy permits reporting any concern relating to financial/accounting matters and employees at the levels of Vice-Presidents and above as also the Ethics counsellors directly to the Chairman of the Audit Committee.

For all other matters the concern can be reported to the Ethics counsellor of the Company. The policy with the name and address of Chairman of the Audit Committee has been circulated to the employees. No employee has been denied access to the Chairman of the Audit Committee.

The whistle Blower policy and vigil mechanism can be accessed at <http://www.tataglobalbeverages.com/investors/governance/policies>

- d Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company is compliant with all the mandatory requirements of the Listing Regulations for FY 2017-18.

The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

- The Statutory financial statements of the Company are unqualified.
- The Company has separate posts of Chairman and CEO.
- The Internal Auditors of the Company make presentations to the Audit Committee on their reports.

- e Web link where policy for determining 'material' subsidiaries is disclosed: <http://www.tataglobalbeverages.com/investors/governance/policies>
- f Web link where policy on dealing with related party transactions is disclosed: <http://www.tataglobalbeverages.com/investors/governance/policies>
- g Disclosure of commodity price risks and commodity hedging activities: Given in 10 (l)
- h Compliance with Accounting Standards:
- In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with relevant rules thereunder. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.
- i Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule V (c) of the Listing Regulations: NIL.
- j Extent to which the discretionary requirements specified in Part E of Schedule II of the Listing Regulations have been adopted: Given in 12 (d).

- k Disclosure with respect to demat suspense account/unclaimed suspense account: Not Applicable.

- l Name of the Debenture Trustees : Not Applicable

- m The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

13. Related Party Transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during 2017-18 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of Company. Suitable disclosures as required by Indian Accounting Standards (Ind AS 24) have been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which can be accessed at the Company website link <http://www.tataglobalbeverages.com/investors/governance/policies>

14. Subsidiary Companies

The Company does not have any material non-listed Indian subsidiary whose income or net worth exceeds 20% of the consolidated income or net worth respectively of the Company in the immediately preceding accounting year. However, in line with the requirements of the Listing Regulations, a policy to determine a material subsidiary has been framed and the same may be accessed on the Company's website at the link <http://www.tataglobalbeverages.com/investors/governance/policies>. The minutes of the Board meetings of unlisted subsidiary companies are placed in the Board meetings of the Company.

15. Insider Trading Regulations

The Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices is applicable to all Directors, such identified employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company and other connected persons. Mr. John Jacob, Chief Financial Officer of the Company, is the Compliance Officer for the purpose of these regulations.

16. Certificate on Corporate Governance

A Compliance certificate from Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary pursuant to Schedule V of the Listing Regulations regarding compliance of conditions of corporate governance is attached.

Declaration by the CEO on Code of Conduct as required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Ajoy Misra, 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 2017-18.

For **Tata Global Beverages Limited**

Ajoy Misra

Managing Director and CEO

(DIN 00050557)

Mumbai

11th May, 2018

Practising Company Secretary's Certificate On Corporate Governance To the Members of Tata Global Beverages Limited

I have examined the compliance of the conditions of Corporate Governance by Tata Global Beverages Limited ('the Company') for the year ended on 31st March, 2018, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of Schedule V of the SEBI Listing Regulations during the year ended 31st March, 2018.

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

FCS – 2303

CP No. - 880

Date: 11th May, 2018

Business Responsibility Report (2017-18)

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L15491WB1962PLC031425	
2. Name of the Company	Tata Global Beverages Limited	
3. Registered address	1, Bishop Lefroy Road, Kolkata - 700020	
4. Website	www.tataglobalbeverages.com	
5. E-mail id	investor.relations@tgbl.com	
6. Financial Year reported	2017-18	
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Group	Description
	10791	Processing and blending of tea including manufacture of instant tea
	46306	Trading of coffee products
	01271	Growing of Tea
	11043	Manufacture of mineral water
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	Tea, Coffee and Water	
9. Total number of locations where business activity is undertaken by the Company	13	
(a) Number of International Locations (Provide details of major 5)	NIL (on a standalone basis)	
(b) Number of National Locations	13	
10. Markets served by the Company – Local/State/National/ International	The Company sells its products across all states in India as well as several countries in the world.	

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital	Rs. 63.11 Crores
2. Total Turnover	Rs. 3364.90 Crores
3. Total Profit after Taxes	Rs. 534.32 Crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Rs. 6.51 Crores u/s 135 of Companies Act equivalent to 2.12% of Average Net Profit of the Company for last 3 financial years.
5. List of activities in which expenditure in 4 above has been incurred	Please refer to Annexure 1 of Board's Report for details

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?	Yes
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	No
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Over 50% of suppliers of tea participate in Trustea - the India sustainable tea program, which is one of the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director responsible for implementation of the BR policy/policies		(b) Details of the BR head	
1. DIN Number	00050557	1. DIN Number	06882414
2. Name	Mr. Ajoy Misra	2. Name	Mr. K. S. Srinivasan
3. Designation	Managing Director and CEO	3. Designation	Global Chief Human Resources Officer
		4. Telephone number	+91-22-61218411
		5. e-mail id	Ks.Srinivasan@tgb.com

2. Principle-wise (as per NVGs) BR Policy / policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility . These briefly are as follows:

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	P6: Business should respect, protect and make efforts to restore the environment
P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P3: Businesses should promote the wellbeing of all employees	P8: Businesses should support inclusive growth and equitable development
P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner
P5: Businesses should respect and promote human rights	

S. NO.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policies for ?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y#	Y#	Y#	Y#	Y#	Y#	Y#	Y#	Y#
4	Has the policy being approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online. (@)	1,2	1,3,4	1	1,3,4	1	1,4	1	1,3,4	1
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*

Y# All policies have been developed by the Tata Group, as a result of detailed consultations and research on the best practices adopted across the globe, and these apply to all the Tata Group companies. Tata Global Beverages has also developed some specific policies which are based on the Tata Code of Conduct.

Y* All policies applicable to Tata Global Beverages are evaluated internally.

@ The following polices can be accessed at : <http://www.tataglobalbeverages.com/investors/governance/policies>

1. The Tata Code of Conduct; 2. Tata Whistle Blower Policy and Vigil Mechanism;
3. Affirmative Action Policy; 4. Natural Beverages Policy;

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The CSR Committee of the Board meets at least twice annually to review the Sustainability and CSR performance of the Company. In addition, the Board which meets at least four times in a year also reviews BR performance of the Company.
(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	A report covering BR initiatives of the Company has been published upto 2015-16. It can be found on: http://www.tataglobalbeverages.com/investors/shareholding-information/annual-business-responsibility-reports?reload . From 2016-17, the BRR is merged with Company's Annual Report.

SECTION E: PRINCIPLE WISE PERFORMANCE**Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?	No. The Company's ethics policy as embodied in the Tata Code of Conduct extends to subsidiaries, JVs, suppliers, contractors, vendors, etc.
2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	In 2017-18, 7 stakeholder complaints were received in India on the 3 rd Party helpline. These were presented to the Ethics and Compliance Committee of the Board and six of them were satisfactorily resolved and the investigation process is on in one case.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Tea, Coffee and Water
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): (a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Tata Global Beverages Limited is committed to sustainable beverages production and consumption. Our sustainability strategy is focused on the five pillars of sustainable sourcing, water management, waste management, climate change and community development. We have been listed on the CDP India A list 2016 for Climate Disclosure Leadership and we have strategic priorities towards optimising resource use (raw material, energy, water etc.) Not Applicable

<p>3. Does the Company have procedures in place for sustainable sourcing (including transportation)?</p> <p>(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.</p>	<p>Yes. Tata Global Beverages Limited has a sustainable sourcing strategy and is a co-funder of the Trustea program in India for sustainably transforming Indian tea.</p> <p>About 50% of tea was sourced sustainably through the Trustea program.</p>
<p>4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?</p> <p>(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<p>Yes. The Company makes a conscious and strategic effort to procure raw material (tea) from small tea growers and civil and service requirements from local and small scale industries.</p> <ol style="list-style-type: none"> 1. Raw material (tea): 25,500 small tea growers have been trained on sustainable agricultural practices through Trustea. 2. Goods and services: The Company buys goods and services from local and small producers to meet business requirements. We do business with various small scale industries in the country. Most civil and service requirements under revenue are met through engaging with local suppliers. For small scale industry, favourable payment terms are given to encourage them. Positive discrimination is practiced when allotting business to the local Vendors.
<p>5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.</p>	<p>All the tea packeting factories for India domestic network are zero waste to landfill. i.e. no waste generated from the production / packaging process in the factories go to the landfill. This means 100% of the solid waste generated in the factories is recycled.</p>

Principle 3 - Businesses should promote the wellbeing of all employees

<p>1. Please indicate the Total number of employees.</p>	<p>2565 (including Plantation workers)</p>
<p>2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.</p>	<p>1206</p>
<p>3. Please indicate the Number of permanent women employees.</p>	<p>891</p>
<p>4. Please indicate the Number of permanent employees with disabilities</p>	<p>119</p>
<p>5. Do you have an employee association that is recognised by management.</p>	<p>Yes</p>
<p>6. What percentage of your permanent employees is members of this recognised employee association?</p>	<p>66%</p>
<p>7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.</p>	
<p>1. Child labour/forced labour/involuntary labour</p>	<p>NIL</p>
<p>2. Sexual harassment</p>	<p>NIL</p>

3. Discriminatory employment	NIL
4. No. of complaints filed during the financial year	2
5. No. of complaints pending as on end of the financial year	NIL
8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?	
(a) Permanent Employees	93%
(b) Permanent Women Employees	98%
(c) Casual/Temporary/Contractual Employees	75%
(d) Employees with Disabilities	100%

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1. Has the Company mapped its internal and external stakeholders? Yes/No	Yes
2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders.	Yes
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.	We have undertaken initiatives in Skill Development and job placements for SC/ST youth. We have projects for women empowerment, and we support a charitable trust (Srishti Trust) for the differently abled. Through our partnership in the UNICEF-Ethical Tea Partnership program, we are promoting child protection and empowerment of girls in tea estates of Assam. More details are available in Annexure 1 of Board's Report and on www.tataglobalbeverages.com

Principle 5 - Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	The Company's policy on human rights as detailed in the Tata Code of Conduct, extends to JVs, subsidiaries, suppliers, contractors, vendors, etc.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	None was received

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.	The Natural Beverages Policy is the apex sustainability and CSR policy of Tata Global Beverages Limited. The Tata Code of Conduct which covers protection of environment is applicable to JVs and suppliers.
2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for web page etc.	Yes. http://www.tataglobalbeverages.com/sustainability/climate-change http://www.tataglobalbeverages.com/docs/default-source/default-document-library/annual-business-responsibility-report-2015-16.pdf?sfvrsn=0

3. Does the Company identify and assess potential environmental risks? Y/N	Yes
4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No
5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes http://www.tataglobalbeverages.com/sustainability http://www.tataglobalbeverages.com/docs/default-source/default-document-library/annual-business-responsibility-report-2015-16.pdf?sfvrsn=0
6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes
7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	One legal notice was received in respect of a factory from the Pollution Control Board alleging violation of sound levels. This matter has been stayed by the High Court of Karnataka for invalid and non-substantiated charges by the Pollution Control Board and the High Court has referred the matter to the Lower Court. The matter is currently pending in the Lower Court.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Yes. Some organisations are : The Bengal Chamber of Commerce & Industry, Tea Board – Kolkata, Cochin Chamber of Commerce and Industry, Indian Chamber of Commerce and Industry, Guwahati Tea Auction Centre, Siliguri Tea Auction centre, National Institute of Personnel Management, National Safety Council, Kerala State Productivity Council, Bombay Chamber of Commerce, Bangalore Chamber of Industry and Commerce, Indian Tea Association - Kolkata, Confederation of Indian Industries(CII).
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas.	Yes. Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles.

Principle 8 - Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes /initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	The Company's BR initiatives /projects undertaken pursuant to Section 135 of the Companies Act, 2013 support inclusive growth. Additionally, the Company abides by the Tata Group Affirmative Action Policy, details of which are given in Annexure 1 to the Board's report
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	Please refer Annexure 1 to the Board's Report for details.
3. Have you done any impact assessment of your initiative?	Yes.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?	Rs. 6.51 Crores u/s 135 of Companies Act. For more details please refer Annexure 1 to the Board's Report.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Yes, The sustainability and CSR initiatives are also periodically reviewed by the Senior Management and the Board of Directors. Affirmative Action initiatives have been evaluated through impact assessment. The feedback loop provides the basis for which the deployment of programmes is continuously improved.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	9.95% of consumer complaints were pending as on 31 st March, 2018.
2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)	Some of our products contain information over and above that is mandated as per local laws.
3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	None
4. Did your Company carry out any consumer survey/ consumer satisfaction trends?	Yes

Dividend Distribution Policy

1. Scope and Purpose of this Policy

The Securities Exchange Board of India ("SEBI") on 8th July, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy.

Tata Global Beverages Limited (TGBL) being one of the top five hundred listed companies as per the market capitalization as on the last day of the immediately preceding financial year, frames this policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Objective of this Policy

The objective of this Policy is to lay down the parameters to be kept into consideration by the Board of Directors while declaring the dividend. It further ensures that the dividend payout is in line with long term strategic objective of the Company.

3. Parameters for declaration of dividend

The Board of Directors shall consider the following parameters for declaration of dividend:

- a. Standalone and Consolidated profitability of the Company
- b. Liquidity and outstanding borrowing position
- c. Future business plans of the Company

- d. Cash to be retained for future investments and outlays
- e. Changes in the external environment impacting the business

In addition to above, the dividend distribution shall be in accordance with the applicable provisions of the Companies Act, 2013, Rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other legislations governing dividends and the Articles of Association of the Company, as in force and as amended from time to time.

4. General

- a. Based on the above parameters, the Board of Directors may declare interim dividend(s) as and when they consider it fit, and recommend final dividend to the shareholders for their approval in the general meeting of the Company.
- b. In case the Board of Directors proposes not to distribute the profit in any year; the grounds thereof shall be disclosed to the shareholders in the Annual Report of the Company.
- c. The retained earnings will be utilized in accordance with the applicable provisions of the Companies Act 2013, the applicable Rules thereunder, SEBI regulations and the Articles of Association of the Company.
- d. The Company presently has only one class of shares namely Equity Shares of Re. 1 each.
- e. The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

Independent Auditor's Report

To The Members of Tata Global Beverages Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Tata Global Beverages Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these standalone Ind AS 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 Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended March 31, 2017 prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information and the said opening balance sheet, dated May 30, 2017 expressed an unmodified opinion.

Our opinion on the standalone Ind AS financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow 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 Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 Ind AS financial statements;
 - ii. The Company has made provision, 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 Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)

Place: Mumbai
Date: May 11, 2018

Annexure “A” to the Independent Auditor’s Report

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

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

We have audited the internal financial controls over financial reporting of Tata Global Beverages Limited (the “Company”) as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“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 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 Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on

the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal financial control over financial reporting established by 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 ICAI.

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

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)

Place: Mumbai
Date: May 11, 2018

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits and hence reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
 - (c) There are no disputed dues of Customs Duty and Excise Duty. Details of dues of Income-tax, Sales Tax, Service Tax

and Value Added Tax which have not been deposited as on March 31, 2018 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs. in 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	2007-08 and 2009-10	0.01
Kerala General Sales Tax Act, 1963	Sales Tax	Sales Tax Appellate Tribunal, Ernakulam	1998-99	0.12
Kerala General Sales Tax Act, 1963	Sales Tax	Deputy Commissioner (Appeals) Commercial Taxes, Ernakulam	1996-97 to 2000-01 and 2002-03	0.44
Kerala Value Added Tax, 2003	Value Added Tax	Deputy Commissioner (Appeals) Commercial Taxes, Ernakulam	2010-11	0.31
West Bengal Sales Tax Act, 1994	Sales Tax	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata	1998-99 to 2000-01	0.02
Central Sales Tax Act, 1956	Sales Tax	Sales Tax Appellate Tribunal, Ernakulam	1998-99	0.12
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner (Appeals) Commercial Taxes, Ernakulam	1999-00, 2000-01, 2002-03, 2006-07 and 2011-12	0.50
Central Sales Tax Act, 1956	Sales Tax	Joint Commissioner of Sales Tax, Maharashtra	2010-11	0.01
Karnataka Sales Tax Act, 1957	Sales Tax	The Supreme Court of India	1997-98	1.28
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	Madras High Court	1998-99 to 2006-07	0.57
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner Indore, Madhya Pradesh	2010-11 to 2013-14	2.08
West Bengal Value Added Tax Act, 2003	Value Added Tax	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata	2007-08 and 2008-09	1.36
Central Sales Tax Act, 1956	Sales Tax	The West Bengal Sales Taxes Appellate and Revisional Board, Kolkata	2014-15	0.42
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner of Commercial Tax, Indore Div 2, Indore	2014-15	0.24
Himachal Pradesh Value Added Tax Act, 2005	Value Added Tax	Additional Excise & Taxation Commissioner (Appeals) South Zone, Shimla	2007-08	0.08
Maharashtra Value Added Tax Act, 2002	Value Added Tax	Joint Commissioner of Sales Tax, Maharashtra	2008-09	0.02
Karnataka Value Added Tax Act, 2003	Value Added Tax	The Joint Commissioner (Appeals), Commercial Taxes Karnataka	2006-07, 2009-10 and 2012-13	0.06
Goa Value Added Tax Act, 2005	Value Added Tax	Commissioner of Commercial Tax, Goa	2006-07	0.01
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner Appeals, Coimbatore	2012-13	0.05
Madhya Pradesh Entry Tax Act, 1976	Entry Tax	The High Court of Madhya Pradesh	2010-11	2.06
Madhya Pradesh Entry Tax Act, 1976	Entry Tax	The Supreme Court of India	2011-12	0.82
Finance Act, 1994	Service Tax	Custom Excise and Service Tax Appellate Tribunal, Kolkata	2005-06	1.46

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs. in Crores)
Finance Act, 1994	Service Tax	Commissioner Appeals, Bangalore	2013-14 and 2014-15	0.11
Finance Act, 1994	Service Tax	Commissioner Appeals, Kolkata	2008-09 and 2009-10	0.01
Finance Act, 1994	Service Tax	Commissioner of Central Excise Appeals- Bangalore	April 15 to June 17	0.23
Finance Act, 1994	Service Tax	Appeal before CESTAT tribunal filed	April 2013 to March 2015	0.17
Finance Act, 1994	Service Tax	Appeal being preferred before excise authorities-Kochi	July 15 to September 16	0.26

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

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

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

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

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

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where

applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar

Partner

Place: Mumbai

Date: May 11, 2018

(Membership No. 039826)

Balance Sheet

as at March 31, 2018

	Note	2018	2017
Rs. in Crores			
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	207.59	197.76
Capital work-in-progress		11.49	7.38
Investment Property	4	0.67	0.69
Intangible Assets	5	19.21	16.03
Intangible asset under development		1.16	4.12
Financial Assets			
Investments	6	2284.28	2903.97
Loans	7	20.44	24.73
Other Financial Assets	8	22.05	21.07
Deferred Tax Assets (Net)	20	99.01	38.86
Non-Current Tax Assets (Net)	20	42.90	79.95
Other Non-Current Assets	9	82.94	84.23
		2791.74	3378.79
Current assets			
Inventories	10	744.40	764.19
Financial Assets			
Investments	6	536.98	67.70
Trade Receivables	11	136.66	99.62
Cash and Cash Equivalents	12	232.80	13.76
Other Bank Balances	13	302.47	7.02
Loans	7	8.10	11.97
Other Financial Assets	8	34.09	26.80
Other Current Assets	9	104.93	45.69
		2100.43	1036.75
		4892.17	4415.54
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	63.11	63.11
Other Equity		4150.24	3721.44
		4213.35	3784.55
Non-Current Liabilities			
Provisions	17	109.65	119.91
		109.65	119.91
Current liabilities			
Financial liabilities			
Borrowings	15	84.25	32.26
Trade Payables	18	248.46	244.33
Other Financial Liabilities	16	91.33	88.06
Other Current Liabilities	19	71.88	72.32
Provisions	17	47.30	57.05
Current Tax Liability (Net)	20	25.95	17.06
		569.17	511.08
		4892.17	4415.54
TOTAL EQUITY AND LIABILITIES			

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

In terms of our report attached

For and on behalf of the Board

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

N. Chandrasekaran
Chairman
(DIN 00121863)

V. Leeladhar
Director
(DIN 02630276)

S. Santhanakrishnan
Director
(DIN 00032049)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)

Ajoy Misra
Managing Director
(DIN 00050557)

L. KrishnaKumar
Executive Director
(DIN 00423616)

Harish Bhat
Director
(DIN 00478198)

John Jacob
Chief Financial Officer

V. Madan
Company Secretary

Mumbai, May 11, 2018

Statement of Profit and Loss

For the year ended March 31, 2018

		Rs. in Crores	
	Note	2018	2017
Income			
Revenue from Operations	21	3217.32	3063.89
Other Income	22	147.58	96.34
Total Income		3364.90	3160.23
Expenses			
Cost of Materials Consumed	23	1871.55	1867.72
Purchases of Stock-in-trade		33.00	23.03
Change in Inventories of Finished Goods/Stock-in-trade/Work-in-progress	24	(1.67)	(1.79)
Employee Benefits Expense	25	208.13	187.82
Finance Costs	26	13.65	49.10
Depreciation and Amortisation Expense		27.20	23.70
Advertisement & Sales Charge		216.12	221.37
Other Expenses	27	388.81	403.09
Total Expenses		2756.79	2774.04
Profit before Exceptional Items and Taxes		608.11	386.19
Exceptional Items (Net)	28	115.36	-
Profit before Tax		723.47	386.19
Tax Expenses			
Current Tax		188.91	110.24
Deferred Tax		0.24	(0.05)
		189.15	110.19
PROFIT FOR THE YEAR		534.32	276.00
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		19.24	(26.88)
Changes in fair valuation of equity instruments		53.33	255.71
		72.57	228.83
Tax Impact on above items		(6.68)	9.14
		65.89	237.97
Items that will be reclassified to profit or loss			
Gains/(loss) on effective portion of cash flow hedges		(2.69)	3.38
Tax Impact on above items		(0.93)	1.17
		(1.76)	2.21
Other Comprehensive Income for the year		64.13	240.18
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		598.45	516.18
Earnings per share			
Equity share of nominal value Re. 1 each	34		
Basic and Diluted		8.47	4.37

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)

For and on behalf of the Board

N. Chandrasekaran
Chairman
(DIN 00121863)

Ajoy Misra
Managing Director
(DIN 00050557)

John Jacob
Chief Financial Officer

V. Leeladhar
Director
(DIN 02630276)

L. KrishnaKumar
Executive Director
(DIN 00423616)

V. Madan
Company Secretary

S. Santhanakrishnan
Director
(DIN 00032049)

Harish Bhat
Director
(DIN 00478198)

Mumbai, May 11, 2018

Statement of Changes in Equity

for the year ended March 31, 2018

Equity Share Capital and Other Equity (Refer Note 14)

Particulars	Equity Share Capital	Reserves and Surplus					Other Comprehensive Income		Total Other Equity		
		Capital Reserve	Securities Premium Account	Debt Redemption Reserve	Contingency Reserve	Revaluation Surplus	General Reserve	Retained Earnings		Effective portion of cash flow hedge	Fair Value of gain/(loss) on Equity Instruments
Balance as at March 31, 2016	63.11	15.79	361.05	81.25	1.00	21.86	1115.71	1405.43	0.07	371.41	3373.57
Profit for the year				276.00							276
Other Comprehensive Income				(17.58)					2.21	255.55	240.18
Total Comprehensive Income for the year	-	-	-	-	-	-	-	258.42	2.21	255.55	516.18
Transaction with owners in their capacity as owners:											
Dividends (including tax on dividend)				(168.31)							(168.31)
Transfer to Retained Earnings				(81.25)				81.25			-
Balance as at April 1, 2017	63.11	15.79	361.05	-	1.00	21.86	1115.71	1576.79	2.28	626.96	3721.44
Profit for the year				534.32							534.32
Other Comprehensive Income				12.58					(1.76)	53.31	64.13
Total Comprehensive Income for the year	-	-	-	-	-	-	-	546.90	(1.76)	53.31	598.45
Transaction with owners in their capacity as owners:											
Dividends (including tax on dividend)				(169.65)							(169.65)
Realised gain on equity shares carried at Fair Value through OCI				625.46						(62.54)	-
Transfer to Reserves				27.60				(27.60)			-
Balance as at March 31, 2018	63.11	15.79	361.05	-	1.00	21.86	1143.31	2551.90	0.52	54.81	4150.24

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

In terms of our report attached

For and on behalf of the Board

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

N. Chandrasekaran
Chairman
(DIN 00121863)

Ajoy Misra
Managing Director
(DIN 00050557)

V. Leeladhar
Director
(DIN 02630276)

L. Krishnakumar
Executive Director
(DIN 00423616)

S. Santhanakrishnan
Director
(DIN 00032049)

Harish Bhat
Director
(DIN 00478198)

Sanjiv V. Pilgaonkar

Partner
(Membership No. 039826)

Mumbai, May 11, 2018

John Jacob
Chief Financial Officer

V. Madan
Company Secretary

Statement of Cash Flow

For the year ended March 31, 2018

Rs. in Crores

	2018	2017
A. Cash Flow from Operating Activities		
Net Profit before Tax	723.47	386.19
Adjusted for :		
Depreciation and Amortisation	27.20	23.70
Dividend Income	(95.40)	(72.86)
Unrealised Exchange Loss / (Gain)	(0.38)	1.64
Finance Cost	13.65	49.10
Fair Value movement in Financial Instruments designated at Fair Value through profit or loss	(10.94)	(1.45)
Interest Income	(21.40)	(19.19)
Profit on sale of Current Investments (net)	(19.52)	(2.58)
Impairment loss recognised in trade receivables	0.06	0.09
Provision for Doubtful Debts/Advances writtenback	-	(3.50)
(Profit) / Loss on sale of Property, Plant & Equipment (net)	(0.15)	0.78
Other Exceptional Expense/(Income)(net)	8.49	-
Profit on Sale of Non-Current Investments	(123.85)	-
	(222.24)	(24.27)
Operating Profit before working capital changes	501.23	361.92
Adjustments for :		
Trade Receivables & Other Assets	(103.06)	29.82
Inventories	19.79	125.81
Trade Payables & Other Liabilities	(9.62)	79.88
	(92.89)	235.51
Cash generated from Operations	408.34	597.43
Direct Taxes paid (net)	(209.64)	(90.53)
	(209.64)	(90.53)
Net Cash from / (used in) Operating Activities	198.70	506.90
B. Cash Flow from Investing Activities		
Payment for Property, Plant and Equipment and Intangibles	(40.97)	(40.82)
Sale of Property, Plant and Equipment	0.72	0.13
Sale of Non Current Investments carried at Fair value through OCI	672.61	-
Sale of Non Current Investments carried at Cost in a Subsidiary and an Associate	136.89	-
Investment in Joint Ventures	(10.00)	(28.00)
Investments in a Subsidiary	-	(74.41)
(Purchase) / Sale of Current Investments (net)	(442.98)	108.21
(Placement) / Redemption Fixed deposits (net)	(295.00)	-
Dividend Income received	95.40	72.86
Interest Income received	17.77	19.45
Inter Corporate Deposits & Loans (Net)	8.25	3.00
Net Cash from / (used in) Investing Activities	142.69	60.42

	Rs. in Crores	
	2018	2017
C. Cash Flow from Financing Activities		
Redemption of Debentures (including premium)	-	(397.54)
Working Capital Facilities (net)	39.50	(19.50)
Dividend paid	(147.86)	(142.00)
Dividend Tax paid	(21.35)	(26.30)
Finance Cost paid	(5.13)	(26.94)
Net Cash from / (used in) Financing Activities	(134.84)	(612.28)
Net increase / (decrease) in Cash and Cash Equivalents	206.55	(44.96)
D. Cash and Cash Equivalents balances (Refer Note 12)		
Balances at the beginning of the year	2.00	46.96
Balances at the end of the year	208.55	2.00

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

In terms of our report attached

For and on behalf of the Board

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

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Harish Bhat
Director
(DIN 00478198)

John Jacob
Chief Financial Officer

V. Madan
Company Secretary

Mumbai, May 11, 2018

Notes to Financial Statements

1. General Information

Tata Global Beverages Limited ("the Holding 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 Tea, Coffee and Water. The group has branded beverage business operations mainly in India, Europe, US, Canada and Australia, plantation business in India and extraction business in India and the US.

The Holding Company is a public limited company incorporated and domiciled in India and has its registered office at Kolkata, West Bengal, India. The Holding 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, 2018 were approved for issue by Company's board of directors on May 11, 2018.

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) Basis of preparation and presentation of financial statements

(i) Basis of preparation

The financial statements are prepared in accordance with and in compliance, in all material aspect 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.

(ii) 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.

(b) Business Combination

The Company applies the acquisition method to account for business combinations. 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, and
- equity interests issued by the Company
- 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.

(c) 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 (Rs.), which is the functional currency of the Company.

Notes to Financial Statements

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.

(d) 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 loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent expenditure is added to its book value only when it is probable that the 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 replaced asset is derecognized. 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 assets 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 technical evaluation of the asset. Cost incurred on assets under development are disclosed under capital work in progress and not depreciated till the asset is ready to use.

The residual values and useful lives 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 the 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 or useful life
Buildings	30 to 60 years
Plant and Machinery	10 to 25 years
Furniture and Fixtures and other Office Equipments	5 to 16 years
Computer, Printers and other IT Assets	2 to 5 years
Motor Vehicles	8 to 10 years

(e) 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. 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 assets are those that have attained harvestable stage.

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

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

(f) 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. These are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment

Notes to Financial Statements

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.

(g) Intangible Assets

(i) Patent / know how

Product development cost incurred on new products having enduring benefits is recognised as Intangible Assets and are amortised over a period of 10 years.

(ii) Non-compete fees

Non-compete fees paid on acquisition of business is being amortised over a period of 10 years.

(iii) Computer software

Software development costs are expensed unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to develop and sell or use the software and the costs can be measured reliably. Directly attributable costs that are capitalised as part of the software product include software product development costs, related employee costs and an appropriate portion of relevant overheads. Other expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Computer software development costs recognised as assets are amortised over their estimated useful lives, which range between 3 to 5 years.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 5 years.

(iv) Website Cost

The cost incurred for separate acquisition of website for Company's own use is capitalised in the books of accounts of the Company. In case of internally

generated website, the cost is capitalised only if the future economic benefits are expected to flow to the entity and if the asset can be controlled by entity as a result of past events.

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

(v) Research and Development

Research expenditure is recognised in the statement of profit and loss as 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 Company has the intent and the resources to complete the project. Development assets are amortised based on the estimated useful life, as appropriate.

(h) Impairment of tangible and intangible assets

Assets that are subject to depreciation and 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 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.

(i) 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.

Notes to Financial Statements

(j) Financial Instruments

Financial 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 where those cash flows represent solely payments of principal and interest are measured at amortised cost.

These are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently, if maturing after 12 months period, using the effective interest method, less any impairment loss.

Debt instruments which do not meet the criteria of amortised cost are measured at fair value and classified as fair value through profit and loss or through other comprehensive income, as applicable.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalent, employee and other advances.

- ii) **Financial Assets at Fair value through Other Comprehensive Income (FVTOCI)** - All equity investments are measured at fair values. Investments which are not held for trading purposes and where the Company has exercised the option to classify the investment as Fair Value through other comprehensive income ('FVTOCI'), all 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.
- iii) **Financial assets at fair value through profit and loss (FVTPL)** – Financial assets which are not classified in any of the categories above are fair valued through profit or loss (FVTPL).
- iv) **Impairment of financial assets** - The Company assesses expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income 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, 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.

Financial liabilities are subsequently measured at amortised cost using effective interest method. 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.

Investment in Subsidiaries, Associates and Joint Ventures

Investment in subsidiaries, associates and joint ventures are accounted at cost in the financial statements.

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:

- hedges of the fair value of recognised assets or liabilities (fair value hedge); or
- hedges of a particular risk associated with a firm commitment or a highly probable forecast 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

Notes to Financial Statements

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 shown 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 the hedged item is for more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is for 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, swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecasted hedged transaction is ultimately recognised in the statement of profit and 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).

(k) Inventories

Raw materials, traded and finished goods are stated at the lower of cost and net realisable value. 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 in which case cost is considered as actual cost for each lot. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, include appropriate overheads based on normal level of activity. Agricultural produce included within inventory largely comprises stock of tea and in accordance with Ind AS 41, on initial recognition, agricultural produce is required to be measured at fair value less estimated point of sale costs.

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

(l) Employee Benefits

The Company operates various post-employment schemes, including both defined benefit and defined contribution

Notes to Financial Statements

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 recognized 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 the charge is recognised in the statement of profit and loss. Interest costs on defined benefit plans are classified within finance cost. For schemes, where funds have been set up, annual contributions determined as payable in the actuarial valuation report are contributed. Remeasurements 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.

(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/Deferred tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss.

iii) Minimum Alternate Tax:

According to section 115JAA of the Income Tax Act, 1961, Minimum Alternative Tax ('MAT') paid over and above the normal income tax in a subject year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the Company's normal income tax during the specified period.

(n) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts stated net of discounts, returns and value added taxes. The Company recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic

Notes to Financial Statements

benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below. The Company bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

i) Sale of goods and services

Sales are recognized when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract, which generally coincides with the delivery of the product. Income and fees from services are accounted as per terms of relevant contractual agreements /arrangements. The products are often sold with sales related discounts such as volume discounts, customer rebates, trade support and listing costs and consumer promotional activities as billed by customers. Sales are recorded based on the price specified in the sales contracts, net of the estimated discounts/rebates and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns.

ii) Interest income and Dividend Income

Interest income is recognised 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. Income from investments are accounted on an accrual basis.

(o) Government Grant

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the related costs, for 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 are recognised as deferred income.

(p) Leases

As a lessee

Lease of assets, where the Company, as a lessee, has substantially assumed all the risks and rewards of ownership are classified as finance leases. Assets acquired on finance lease are capitalised and depreciated as per Company's policy on Property, Plant and Equipment. Finance lease are measured at the lease's inception at the lower of fair value of the leased property and the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability 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 year.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(q) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Notes to Financial Statements

(r) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

(s) Earnings per share

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

(t) Segment Reporting

Segments are identified based on the manner in which the Company's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

(u) Provisions, Contingent Liabilities and Contingent Asset-

Provisions are recognised when the entity 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 entity. 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.

(v) Cash and cash equivalents

Cash and cash equivalents for the purpose of presentation in the statement of cash flow, comprises of cash at bank, cash in hand, bank overdrafts 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 which are subject to an insignificant risk of changes in value.

(w) Offsetting instruments

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 amount 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.

(x) 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.

Notes to Financial Statements

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.

(y) 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 ongoing 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 periods.

The areas involving critical estimates or judgements are:

1. 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.

2. Employee Benefits

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using various assumptions. One of the critical assumptions used in determining the net cost (income) for these obligations include the discount rate. Any changes in these assumptions will impact the carrying amount of retirement benefit obligations.

3. Fair Value of derivatives and other financial instruments

Financial instruments are required to be fair valued as at the balance sheet date, as provided in Ind AS 109 and 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 or based on valuation done by external appraisers, as applicable.

(z) Recent accounting pronouncements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers'. The new revenue standard combines, enhances and replaces guidances on recognising revenue with a single standard. It defines a new five-step model to recognise revenue from customer contracts. This standard is mandatory for the accounting period beginning on April 1, 2018. The Company is in the process of evaluating the impact on the financial statements.

Notes to Financial Statements

3. Property, Plant and Equipment

	Land [@]	Buildings [@]	Plant & Equipment [@]	Furniture, Fixtures & Office Equipment	Motor Vehicles	Rs. in Crores Total
Cost						
As at April 1, 2016	7.37	50.82	226.69	42.74	4.75	332.37
Additions	-	1.70	27.94	4.69	0.19	34.52
Disposals	-	-	(5.44)	(0.27)	(0.56)	(6.27)
At April 1, 2017	7.37	52.52	249.19	47.16	4.38	360.62
Additions	-	0.95	26.35	4.12	0.25	31.67
Disposals	-	-	(7.24)	(1.01)	(0.10)	(8.35)
At March 31, 2018	7.37	53.47	268.30	50.27	4.53	383.94
Accumulated depreciation						
As at April 1, 2016	-	14.30	112.85	20.19	2.53	149.87
Depreciation expense	-	1.14	13.80	3.48	0.33	18.75
Disposals	-	-	(5.09)	(0.21)	(0.46)	(5.76)
At April 1, 2017	-	15.44	121.56	23.46	2.40	162.86
Depreciation expense	-	1.14	15.89	3.89	0.33	21.25
Disposals	-	-	(6.74)	(0.93)	(0.09)	(7.76)
At March 31, 2018	-	16.58	130.71	26.42	2.64	176.35
Net carrying value as at March 31, 2018	7.37	36.89	137.59	23.85	1.89	207.59
Net carrying value as at March 31, 2017	7.37	37.08	127.63	23.70	1.98	197.76

- 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 restructure of its South India Plantation Operation in 2005.
- 2) Cost of Buildings include **Rs. 5.90 Crores** (Rs. 5.90 Crores) represented by shares in Co-operative Housing Societies / a Company.
- 3) (@) Includes amount of **Rs. 1.26 Crores** (Rs. 1.26 Crores), **Rs. 0.62 Crores** (Rs. 0.62 Crores), **Rs. 0.08 Crores** (Rs. 0.08 Crores), respectively, jointly owned /held with a subsidiary company.
- 4) Land includes leasehold land amounting to **Rs. 0.17 Crores** (Rs. 0.17 Crores).

Notes to Financial Statements

4. Investment Property

	Rs. in Crores	
	2018	2017
Cost		
Opening Balance	1.02	1.02
Closing Balance	1.02	1.02
Accumulated Depreciation		
Opening Balance	0.33	0.31
Depreciation for the year	0.02	0.02
Closing Balance	0.35	0.33
Net carrying value	0.67	0.69

Amount recognised in statement of profit and loss for Investment Property:

	Rs. in Crores	
	2018	2017
Rental Income	0.08	0.08
Profit from investment property before depreciation	0.08	0.08
Depreciation for the year	(0.02)	(0.02)
Profit/(loss) from Investment Property	0.06	0.06

Fair valuation of the investment property as at March 31, 2018 is **Rs. 4.92 Crores** (Rs. 4.80 Crores) based on valuation (Sales Comparable Approach-Level 2) by a recognised independent valuer.

5. Intangible assets

	Rs. in Crores			
	Capitalised Software/ Website	Patent/ Knowhow	Non Compete Fees	Total
Cost				
As at April 1, 2016	28.85	17.63	3.00	49.48
Additions	4.91	-	-	4.91
Disposals	-	-	-	-
As at April 1, 2017	33.76	17.63	3.00	54.39
Additions	9.11	-	-	9.11
Disposals	-	-	-	-
At March 31, 2018	42.87	17.63	3.00	63.50
Accumulated amortisation/impairment				
As at April 1, 2016	16.60	14.18	2.65	33.43
Amortisation expense	4.05	0.58	0.30	4.93
Disposals	-	-	-	-
As at April 1, 2017	20.65	14.76	2.95	38.36
Amortisation expense	5.30	0.58	0.05	5.93
Disposals	-	-	-	-
At March 31, 2018	25.95	15.34	3.00	44.29
Net carrying value as at March 31, 2018	16.92	2.29	-	19.21
Net carrying value as at March 31, 2017	13.11	2.87	0.05	16.03

Notes to Financial Statements

6. Investments

	Rs. in Crores	
	2018	2017
Non-current Investments		
Quoted Equity Instruments	220.98	841.39
Unquoted Equity Instruments	1941.50	1944.94
Unquoted Preference Shares	121.80	117.64
Unquoted Debentures (Refer footnote i)	0.00	0.00
Unquoted Government Securities (Refer footnote i)	0.00	0.00
	2284.28	2903.97
Current Investments		
Mutual Funds - Unquoted (Carried at Fair Value through Profit & Loss)	536.98	67.70
	536.98	67.70
TOTAL INVESTMENTS	2821.26	2971.67

	Rs. in Crores	
	2018	2017
Market Value of Quoted Investments	1276.93	2032.08
Aggregate amount of Unquoted Investments	2600.28	2130.28
Aggregate amount of Quoted Investments	220.98	841.39
Aggregate Amount of Impairment in Value of Investments	0.22	132.86

Quoted Equity Instruments

Carried at fair value through Other Comprehensive Income:

	Face Value	Nos.	Rs. in Crores		
			2018	2017	
Tata Chemicals Ltd (Refer footnote a)	Rs. 10	705522	11185522	47.75	669.85
Tata Investment Corporation Ltd	Rs. 10	158469	158469	11.72	10.03
SBI Home Finance Ltd.	Rs. 10	100000	100000	-	-
			59.47	679.88	

Carried at Cost:

	Face Value	Nos.	Rs. in Crores		
			2018	2017	
Investment in Subsidiary					
Tata Coffee Ltd (Refer footnote b)	Rs. 1	107359820	107359820	161.51	161.51
			161.51	161.51	
TOTAL QUOTED EQUITY INSTRUMENTS			220.98	841.39	

Notes to Financial Statements

Unquoted Equity Instruments

Carried at fair value through Other Comprehensive Income:

	Face Value	Nos.		Rs. in Crores	
		2018	2017	2018	2017
Tata Sons Ltd. (Refer footnote c)	Rs. 1000	1755	1755	9.75	9.75
Tata Capital Ltd.	Rs. 10	613598	613598	2.73	2.25
Tata Services Ltd.	Rs. 1000	475	475	0.05	0.05
Tata Industries Ltd. (Refer footnote c)	Rs. 100	6519441	6519441	115.82	115.82
Taj Air Ltd.	Rs. 10	4200000	4200000	1.04	-
Anamallais Ropeways Company Limited	Rs. 100	2092	2092	-	-
ABC Tea Workers Welfare Services	Rs. 10	20000	20000	0.02	0.02
Assam Hospitals Ltd	Rs. 10	200000	200000	2.65	3.01
The Valparai Co-operative Wholesale Stores Ltd.	Rs. 10	350	350	-	-
Suryakiran Apartment Services Private Ltd (Refer footnote i)	Rs. 10	2146	2146	0.00	0.00
Jalpaiguri Club Ltd. (Cost Re. 1) (Refer footnote i)	Rs. 10	60	60	0.00	0.00
GNRC Ltd	Rs. 10	50000	50000	0.18	0.18
IFCI Venture Capital Funds Ltd	Rs. 10	250000	250000	0.72	0.74
Ritspin Synthetics Ltd	Rs. 10	100000	100000	-	-
TEASERVE (Refer footnote i)	Rs. 5000	1	1	0.00	0.00
(The Tamil Nadu Tea Manufacturers' Service Industrial Co-operative Society Ltd)					
Woodlands Hospital & Medical Res. Centre Ltd. (Refer footnote i)	Rs. 10	12280	12280	0.00	0.00
				132.96	131.83

Unquoted Equity Instruments

Carried at cost

	Face Value	Nos.		Rs. in Crores	
		2018	2017	2018	2017
Investment in Subsidiaries:					
Tata Tea Extractions Inc	US\$ 1	14000000	14000000	59.80	59.80
Tata Global Beverages Group Ltd.	GBP 1	70666290	70666290	500.71	500.71
Tata Global Beverages Capital Ltd.	GBP 1	89606732	89606732	763.89	763.89
Consolidated Coffee Inc.	US\$ 0.01	199	199	92.49	92.49
Zhejiang Tata Tea Extraction Company Ltd. (Refer footnote d)				-	-
Tata Tea Holdings Private Limited	Rs. 10	50000	50000	0.05	0.05
Investment in Associates :					
Estate Management Services (Pvt) Ltd. (Refer footnote e)	LKR 10	-	12078406	-	14.57
Amalgamated Plantations Pvt Ltd.	Rs. 10	61024400	61024400	61.02	61.02
Kanan Devan Hills Plantations Company (Pvt.) Ltd.	Rs. 10	3976563	3976563	12.33	12.33
TRIL Constructions Limited	Rs. 10	11748148	11748148	11.75	11.75
Investment in Joint Ventures :					
NourishCo Beverages Limited	Rs. 10	106500000	106500000	106.50	106.50
Tata Starbucks Private Limited (Refer footnote f)	Rs. 10	200000000	190000000	200.00	190.00
				1808.54	1813.11
TOTAL UNQUOTED EQUITY INSTRUMENTS				1941.50	1944.94

Notes to Financial Statements

Unquoted Preference Shares

	Face Value	Nos.		Rs. in Crores	
		2018	2017	2018	2017
Investment in Associates					
Amalgamated Plantations Pvt Ltd. (Refer footnote g)	Rs. 10	67000000	67000000	55.05	50.89
TRIL Constructions Limited (Refer footnote h)	Rs. 10	66751852	66751852	66.75	66.75
Others					
Thakurbari Club Ltd (Cost Re. 1) (Refer footnote i)	Rs. 100	26	26	0.00	0.00
				121.80	117.64
TOTAL UNQUOTED PREFERENCE SHARES				121.80	117.64

Unquoted Debentures and Government Securities

Carried at fair value through Other Comprehensive Income

	Face Value	Nos.		Rs. in Crores	
		2018	2017	2018	2017
Unquoted Debentures					
The Bengal Chamber of Commerce & Industry - 6 1/2% Debentures (Refer footnote i)	Rs. 1000	7	7	0.00	0.00
Shillong Club Ltd - 5% Debentures - (Cost Rs. 2) (Refer footnote i)	Rs. 100	31	31	0.00	0.00
				0.00	0.00
Unquoted Government Securities:					
W.B. Estates Acquisition Compensation Bond (Refer footnote i)				0.00	0.00
				0.00	0.00

- During the year, the Company has sold a significant portion of its holding in Tata Chemicals Limited. Realised gain arising on the transaction amounting to **Rs. 625.46 Crores** has been accounted under retained earnings.
- Inclusive of **Rs. 21.86 Crores** (Rs. 21.86 Crores) kept in Revaluation Reserve.
- 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.
- During the financial year 2017-18, the Company has divested its stake in Zhejiang Tata Tea Extractions Limited. Resultant profit on disposal net of reversal of impairment provisions of **Rs. 18.77 Crores** has been recorded under exceptional item.
- During the financial year 2017-18, the Company has divested its holding in Estate Management Services Private Limited. Resultant profit on disposal of **Rs. 105.08 Crores** has been recorded under exceptional item.
- During the financial year 2017-18, the Company has invested an amount of **Rs. 10 Crores** towards equity capital in Tata Starbucks Private Limited which is a 50:50 joint venture.
- Investment in preference shares of Amalgamated Plantations Pvt. Ltd., are redeemable with a special redemption premium, on fulfilment of certain conditions, within 10-12 years from the date of the issue and are designated as fair value through profit and loss.
- Preference shares of TRIL Constructions Ltd. are non-cumulative and mandatorily fully convertible within six years from the issue date, the same is carried at cost.
- Investment carrying values are below Rs. 0.01 Crores.

Notes to Financial Statements

7. Loans

	Rs. in Crores	
	2018	2017
Non-Current		
(Secured and considered good)		
Inter Corporate Loan to related party \$	18.75	24.00
(Unsecured and considered good)		
Employee Loans and Advances	1.69	0.73
	20.44	24.73
Current		
(Unsecured and considered good, unless otherwise stated)		
Inter Corporate Deposits *	4.25	10.75
Inter Corporate Loan to related party \$	3.50	-
Employee Loans and Advances	0.35	1.22
	8.10	11.97
TOTAL LOANS	28.54	36.70

* Includes deposit of **Rs. 4.25 Crores** (Rs. 4.25 Crores) secured by mortgage of land and deposits to related parties **Rs. Nil** (Rs. 6.50 Crores).
\$ secured by mortgage of rights on immovable assets.

8. Other Financial Assets

	Rs. in Crores	
	2018	2017
Non-Current		
Considered Good		
Security Deposits *	22.05	21.07
Considered Doubtful		
Security Deposits	0.29	0.29
Less: Provision for Doubtful Deposits	(0.29)	(0.29)
	22.05	21.07
Current		
(Unsecured and considered good, unless otherwise stated)		
Due from Related Parties	21.70	18.58
Insurance Claims Receivable	-	0.10
Interest Accrued	5.03	1.40
Export Incentive Receivable	6.57	3.24
Derivative Financial Assets	0.79	3.48
	34.09	26.80
TOTAL OTHER FINANCIAL ASSETS	56.14	47.87

* Includes deposit to related party **Rs. 1.23 Crores** (Rs. 1.23 Crores).

Notes to Financial Statements

9. Other Assets

	Rs. in Crores	
	2018	2017
Non-Current		
(Unsecured and Considered Good, unless other wise stated)		
Capital Advances	3.28	4.24
Property Rights Pending Development #	70.50	70.50
Taxes Receivable	7.65	7.54
Advance Rent	1.51	1.95
	82.94	84.23
Current		
Prepaid Expenses	17.01	18.21
Taxes Receivable	71.99	10.92
Advance Rent	0.56	0.87
Other Trade Advances	15.37	15.69
Considered Doubtful		
Other Advances for Supply of Goods and Services	1.75	1.75
Less: Provision for Advances	(1.75)	(1.75)
	104.93	45.69
TOTAL OTHER ASSETS	187.87	129.92

Property Rights Pending Development represents constructed office space to be delivered to the Company by TRIL Constructions Limited, consequent to a development agreement entered in 2013-14.

10. Inventories

(At lower of cost or net realisable value)

	Rs. in Crores	
	2018	2017
Raw Material		
Tea	474.97	495.56
Packing Materials	33.14	39.23
Others	8.89	6.34
	517.00	541.13
Finished Goods		
Tea	212.43	211.02
Others	1.88	0.47
	214.31	211.49
Traded Goods		
Formulations and Others	4.31	5.46
Stores and Spare Parts	8.78	6.11
	744.40	764.19

Raw material includes in transit tea inventory of **Rs. 1.57 Crores** (Rs. 5.81 Crores).

Finished Goods include in transit inventory of **Rs. 0.87 Crores** (Nil).

During the year ended March 31, 2018 - **Rs. 2.76 Crores** (Rs. 2.16 Crores) was charged to statement of profit and loss for slow moving and obsolete inventories.

Notes to Financial Statements

11. Trade Receivables

	Rs. in Crores	
	2018	2017
Secured		
Considered Good	18.51	14.17
Unsecured		
Considered Good*	118.15	85.45
Considered Doubtful	3.63	3.57
	121.78	89.02
Less : Allowance for Doubtful Debts	3.63	3.57
	136.66	99.62

* Includes due from Related Parties - **Rs. 64.96 Crores** (Rs. 58.56 Crores).

Inventories and trade receivables have been hypothecated to banks for working capital facility availed.

12. Cash and Cash Equivalents

	Rs. in Crores	
	2018	2017
Balances with banks:		
Current Account	2.78	13.74
Deposit Account	230.00	-
Cash/Cheques in hand	0.02	0.02
	232.80	13.76

Cash and cash equivalents include the following for the purposes of the statement of cash flow:

	Rs. in Crores	
	2018	2017
Cash and cash equivalents	232.80	13.76
Bank Overdraft	(24.25)	(11.76)
	208.55	2.00

13. Other Bank Balances

	Rs. in Crores	
	2018	2017
Unclaimed Dividend Account	7.47	7.02
Deposit exceeding 3 months	295.00	-
	302.47	7.02

Notes to Financial Statements

14. Equity Share Capital

	Rs. in Crores	
	2018	2017
AUTHORISED		
110,00,00,000 Equity Shares of Re. 1 each	110.00	110.00
ISSUED, SUBSCRIBED AND PAID-UP		
63,11,29,729 Equity Shares of Re. 1 each, fully paid-up	63.11	63.11
	63.11	63.11

a) The details of shareholders holding more than 5% shares as at March 31, 2018 is set out as below :

Name of shareholder	2018		2017	
	No. of shares % of holding		No. of shares % of holding	
Tata Sons Limited	186029710 29.48%		142854570 22.63%	
Life Insurance Corporation of India	17851960 2.83%		57792481 9.16%	
Tata Chemicals Limited	- -		43175140 6.84%	

b) Rights, preferences and restrictions of equity 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.

c) Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2018) pursuant to contracts without payment being received in cash

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

d) Dividend paid

Particulars	2018	2017
Dividend Paid (Rs. in Crores)	148.31	142.00
Dividend per share (Rs.)	2.35	2.25

The Board of Directors in its meeting held on May 11, 2018 have recommended a final dividend payment of Rs. 2.50 per share for the financial year ended March 31, 2018.

e) Nature and Purpose of Reserve

i) Capital Reserve

Capital Reserve had been 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 Reserve are in the nature of free reserves.

iv) Revaluation Reserve

Revaluation Reserve was created on acquisition of shares of Tata Coffee Limited (Refer note 6).

Notes to Financial Statements

15. Borrowings

	Rs. in Crores	
	2018	2017
Current		
Loan From Banks - Unsecured		
Working Capital Facilities	60.00	20.50
Loan From Banks repayable on demand - Secured		
Bank Overdraft	24.25	11.76
Secured by way of hypothecation of raw materials, finished goods, stores and spares and book debts on pari passu basis		
	84.25	32.26

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

16. Other Financial Liabilities

	Rs. in Crores	
	2018	2017
Current		
Unpaid Dividends *	7.47	7.02
Interest accrued but not due on borrowings	0.22	0.04
Security Deposits from Customers	41.49	38.17
Others	42.15	42.83
	91.33	88.06

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

17. Provisions

	Rs. in Crores	
	2018	2017
Non-Current		
Employee Benefits	109.65	118.38
Other Provisions	-	1.53
	109.65	119.91
Current		
Employee Benefits	20.01	29.71
Other Provisions	27.29	27.34
	47.30	57.05
TOTAL PROVISIONS	156.95	176.96

Movement in Other Provisions - Non-Current

	Rs. in Crores	
	2018	2017
Obligations relating to a Overseas Subsidiary Company		
Opening balance	1.53	75.94
Provision during the year	-	-
Amount written back / adjusted during the year (Refer Note 28)	(1.53)	74.41
Closing balance	-	1.53

Notes to Financial Statements

Movement in Other Provisions - Current

	Rs. in Crores	
	2018	2017
Provision for Trade Obligations	2018	2017
Opening balance	25.58	19.13
Provision during the year	1.37	6.45
Amount paid/adjusted during the year	-	-
Closing balance	26.95	25.58

	Rs. in Crores	
	2018	2017
Restructuring Costs	2018	2017
Opening balance	1.76	1.76
Provision during the year	-	-
Amount paid/adjusted during the year	(1.42)	-
Closing balance	0.34	1.76

18. Trade Payables

	Rs. in Crores	
	2018	2017
Trade Payables*	244.29	242.96
Due to Micro and Small Enterprises (Refer Note 32)	4.17	1.37
	248.46	244.33

* Includes due to Related Parties - **Rs. 44.45** Crores (Rs. 30.60 Crores).

19. Other Current Liabilities

	Rs. in Crores	
	2018	2017
Current		
Statutory Liabilities	10.35	13.55
Others	61.53	58.77
TOTAL OTHER CURRENT LIABILITIES	71.88	72.32

20. Taxation

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

	Rs. in Crores	
	2018	2017
Current tax		
Current year	189.87	123.44
Less: Tax reversal of earlier years	(0.96)	(13.20)
	188.91	110.24
Deferred tax	0.24	(0.05)
INCOME TAX EXPENSE FOR THE YEAR	189.15	110.19

Notes to Financial Statements

b) Reconciliation of effective tax rate:

	Rs. in Crores	
	2018	2017
Profit before tax	723.47	386.19
Tax using the Company's domestic tax rate of 34.61%	250.38	133.65
Tax effect of:		
Income-tax @ different rate	(10.78)	(3.25)
Non-deductible tax expenses	3.89	5.58
Tax-exempt income	(11.29)	(12.59)
Income subject to Nil tax	(42.09)	-
Tax reversals of earlier years	(0.96)	(13.20)
	189.15	110.19

c) Non-Current Tax Asset:

	Rs. in Crores	
	2018	2017
Income Tax	29.48	66.53
Dividend Distribution Tax credit	13.42	13.42
	42.90	79.95

d) Current Tax Liability (Net):

	Rs. in Crores	
	2018	2017
Income Tax	25.95	17.06
	25.95	17.06

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

	Rs. in Crores	
	2018	2017
Deferred Tax Asset	122.81	59.52
Deferred Tax Liability	(23.80)	(20.66)
NET DEFERRED TAX ASSET	99.01	38.86

f) The movement in deferred income tax assets and liabilities during the year is as follows:

	Rs. in Crores						
	Depreciation	Other Liabilities	Provision for doubtful debts/ advances	Employee Benefits	MAT Credit	Other Assets	Total
As at April 1, 2016	(15.90)	(0.78)	3.12	47.35	39.00	0.82	73.61
(Charged)/credited:							
- to Statement of profit and loss	(2.65)	-	(1.18)	3.56	-	0.32	0.05
- to Other comprehensive income	-	(1.33)	-	5.53	-	-	4.20
Adjustment for unutilised tax credits	-	-	-	-	(39.00)	-	(39.00)
As at April 1, 2017	(18.55)	(2.11)	1.94	56.44	-	1.14	38.86
(Charged)/credited:							
- to Statement of profit and loss	(1.80)	(2.24)	0.02	4.15	-	(0.37)	(0.24)
- to Other comprehensive income	-	0.90	-	(5.77)	-	-	(4.87)
Adjustment for unutilised tax credits	-	-	-	-	65.26	-	65.26
As at March 31, 2018	(20.35)	(3.45)	1.96	54.82	65.26	0.77	99.01

g) As at March 31, 2018, the Company has unutilised capital loss amounting to Rs. 19.22 Crores on which no deferred tax asset is recognised. These losses are available for offset against future capital profits for a period of 8 years.

Notes to Financial Statements

21. Revenue from Operations

	Rs. in Crores	
	2018	2017
Sale of Goods	3131.03	2985.98
Sale of Services	0.65	1.41
Other Operating Revenues		
Export Incentive	12.62	7.66
Management Service Fees	43.70	45.41
Miscellaneous Receipts	29.32	23.43
	3217.32	3063.89

22. Other Income

	Rs. in Crores	
	2018	2017
Interest Income		
Interest Income on Advances and Deposits carried at amortised cost	14.15	10.81
Interest Income on Income Tax refund	7.25	8.38
Dividend Income		
Non-Current Investments designated at fair value through other comprehensive income *	13.99	11.22
Non-Current Investments designated at fair value through profit or loss	-	0.01
Mutual Funds designated at fair value through profit or loss	-	8.25
Investment in Subsidiaries & Associates carried at cost	81.41	53.38
	95.40	72.86
Profit on sale of Mutual Funds	19.52	2.58
Others		
Other non operating income	0.17	0.26
Profit on sale/discard of Fixed Assets (net)	0.15	-
Fair Value movement in Financial Instruments designated at fair value through profit or loss	10.94	1.45
	147.58	96.34

* Includes dividend income on investment sold during the year **Rs. 11.52 Crores** (Nil). Refer Note 6.

23. Cost of Materials Consumed

	Rs. in Crores	
	2018	2017
Tea		
Opening Stock	495.56	629.10
Add: Purchases	1631.15	1513.40
Less: Closing Stock	474.97	495.56
	1651.74	1646.94
Green Leaf	23.21	20.37
Packing Material		
Opening Stock	39.23	34.92
Add: Purchases	158.77	171.61
Less: Closing Stock	33.14	39.23
	164.86	167.30
Others	31.74	33.11
	1871.55	1867.72

Includes excise duty amounting to **Rs. 2.12 Crores** (Rs. 8.34 Crores).

Notes to Financial Statements

24. Changes in Inventory of Finished Goods/Stock-in-trade/Work-in-progress

	Rs. in Crores	
	2018	2017
Opening Stock		
Tea	211.02	209.78
Others	5.93	5.38
	216.95	215.16
Closing Stock		
Tea	212.43	211.02
Others	6.19	5.93
	218.62	216.95
	(1.67)	(1.79)

25. Employee Benefits Expense

	Rs. in Crores	
	2018	2017
Salaries, Wages and Bonus *	175.76	158.03
Contribution to Provident Fund and other Funds	14.92	13.80
Workmen and Staff Welfare Expenses	17.45	15.99
	208.13	187.82

* Includes expense on Corporate Social Responsibility **Rs. 2.24 Crores** (Rs. 1.82 Crores).

26. Finance Costs

	Rs. in Crores	
	2018	2017
Interest		
On Financial Instruments valued at amortised cost	5.31	16.71
On Debentures valued at amortised cost	-	20.66
Other Borrowing Costs	-	0.14
Net interest on defined benefit plans	8.34	7.36
Fair Value Movement in Financial Instruments designated as fair value through profit or loss	-	4.23
	13.65	49.10

27. Other Expenses

	Rs. in Crores	
	2018	2017
Manufacturing and Contract Packing Expenses	69.45	72.61
Rent	47.98	51.44
Freight	46.52	42.57
Management Service Fees #	20.99	19.58
Miscellaneous Expenses ^	203.87	216.89
	388.81	403.09

Includes fee for technical support services **Rs. 7.17 Crores** (Rs. 7.79 Crores) and for other support services **Rs. 12.95 Crores** (Rs. 11.79 Crores)

^ Includes exchange gain **Rs. 3.83 Crores** (Rs. 1.41 Crores), expense on CSR **Rs. 4.27 Crores** (Rs. 5.97 Crores)

Notes to

Financial Statements

28. Exceptional Items (Net)

	Rs. in Crores	
	2018	2017
(Income)		
Profit on sale of Non-Current Investment held in a subsidiary and in an associate (Refer Note 6)	(123.85)	-
Expenditure		
Business Restructure costs	8.49	-
	(115.36)	-

29. Capital Commitment

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2018 aggregated **Rs. 10.97 Crores** (Rs. 11.58 Crores).
- (b) Commitment towards Share Capital contributions in Joint Ventures **Rs. 40.00 Crores** (Rs. 13.00 Crores)

30. Contingent Liabilities not provided for in respect of:

- (a) Claims under adjudication not acknowledged as debts:

	Rs. in Crores	
	Gross	Net of Estimated Tax
(i) Taxes, Statutory Duties/ Levies etc.	17.71	12.49
	(16.77)	(11.86)
(ii) Commercial and other Claims	2.51	1.52
	(2.45)	(1.49)

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

31. Contingent Assets:

Certain insurance/commercial claims are in the final stage of recovery for which amounts are not quantifiable and hence not reported.

- 32.** 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, 2018.

33. Corporate Social Responsibility (CSR)

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

- (a) Gross amount required to be spent by the Company during the year **Rs. 6.14 Crores** (Rs. 5.31 Crores).

Notes to Financial Statements

(b) Amount spent during the year:

Particulars	Rs. in Crores		
	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	5.91	0.60	6.51

Particulars	Rs. in Crores		
	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	7.58	0.21	7.79

34. Earnings Per Share

	2018	2017
Profit after taxation (Rs. in Crores)	534.32	276.00
Numbers of Equity Shares Outstanding	631129729	631129729
Earnings Per Share (Rs.)		
Basic	8.47	4.37
Diluted	8.47	4.37

35. Expenditure incurred in respect of the Company's Research and Development:

	Rs. in Crores	
	2018	2017
Capital Expenditure	0.57	0.83
Revenue Expenditure	5.51	4.74
	6.08	5.57

36. 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 - 15 years and usually renewable on mutually agreed terms.

	Rs. in Crores	
	2018	2017
Minimum lease payments under Non-cancellable operating lease		
Within one year	1.74	-
Later than one year and not later than five years	2.19	-
Later than five years	3.01	-
TOTAL	6.94	-
Lease payments recognised in the statement of profit and loss	52.04	56.19

Notes to Financial Statements

37.a) Related Party Disclosure

Related Parties

Promoter

Tata Sons Limited

Subsidiaries

Tata Global Beverages Group Limited

Tata Global Beverages Holdings

Tata Global Beverages Services Limited

Tata Global Beverages GB Limited

Tata Global Beverages Overseas Holdings Limited

Tata Global Beverages Overseas Limited

Lyons Tetley Limited

Tata Global Beverages U.S. Holdings, Inc.

Tata Water LLC

Tetley USA Inc

Empirical Group LLC

Tata Global Beverages Canada Inc

Tata Global Beverages Australia Pty Limited

Earth Rules Pty Ltd.

Stansand Limited

Stansand(Brokers) Limited

Stansand(Africa) Limited

Stansand(Central Africa) Limited

Tata Global Beverages Polska Sp.z.o.o

Drassington Limited

Good Earth Corporation

Good Earth Teas Inc.

Teapigs Limited

Teapigs US LLC.

Tata Global Beverages Czech Republic a.s

Joekels Tea Packers (Proprietary) Limited

Tata Global Beverages Investments Limited

Campestres Holdings Limited

Kahutara Holdings Limited

Suntyco Holding Limited

Onomento Co Limited

Coffee Trade LLC (w.e.f September 18, 2017)

Tea Trade LLC (till November 3, 2017)

Sunty LLC (till November 3, 2017)

Tata Coffee Limited

Tata Coffee Vietnam Company Limited

Consolidated Coffee Inc.

Eight 'O Clock Coffee Company

Eight 'O Clock Holdings Inc

Tata Tea Extractions Inc

Tata Global Beverages Capital Limited

Zhejiang Tata Tea Extraction Company Limited (till 24th July, 2017)

Tata Tea Holdings Private Limited

Associates

Estate Management Services Pvt Limited, Sri Lanka (till 28th December, 2017)

Watawalla Plantations Plc (till 28th December, 2017)

Amalgamated Plantations Pvt Limited

Kanan Devan Hills Plantation Company Private Limited

TRIL Constructions Limited

Joint Ventures

NourishCo Beverages Limited

Tata Starbucks Private Limited

Joint Venture of Subsidiaries

Tetley ACI (Bangladesh) Limited

Southern Tea LLC

Tetley Clover (Private) Limited

Key Management Personnel

Mr. Ajoy Misra - CEO & Managing Director

Mr L Krishna Kumar - Executive Director & Group CFO

Subsidiary and Joint Venture of Promoter Company

Tata Investment Corporation Limited

Ewart Investments Limited

Taj Air Limited

Tata Capital Forex Limited (till October 30, 2017)

Tata AIG General Insurance Limited

Tata AIA Life Insurance Co Limited

Tata Consultancy Services Limited

TC Travel and Services Limited (till October 30, 2017)

Infiniti Retail Limited

Tata Interactive System Limited

Tata Business Support Services Limited (till November 27, 2017)

Tata International Singapore PTE Limited

Tata Housing Development Company Limited

Tata Elxsi Limited

Tata Industries Limited

Employee Benefit Plans

Tata Tea Limited Management Staff Gratuity Fund

Tata Tea Limited Management Staff Superannuation Fund

Tata Tea Limited Staff Pension Fund

Tata Tea Limited Gratuity Fund

Tata Tea Limited Calcutta Provident Fund

Notes to Financial Statements

37. b) Particulars of transactions entered into with Related Parties for the year ended March 31, 2018:

Particulars	Rs. in Crores	
	2018	2017
Sale of Goods and Services		
- Subsidiaries	200.50	190.17
- Associates	1.01	1.55
- Joint Ventures	33.80	34.15
- Joint Venture of Subsidiaries	0.14	0.15
Other Operating Income		
- Subsidiaries	47.99	53.01
- Associates	2.50	2.20
- Joint Ventures	10.62	4.14
Sale of Fixed Asset		
- Joint Venture of Subsidiaries	0.38	-
Rent Paid		
- Associates	2.09	1.90
Purchase of Goods & Services		
- Subsidiaries	81.10	74.62
- Associates	259.98	216.37
- Subsidiaries/Joint Ventures of Promoter	0.07	0.03
Other Expenses (Net)		
- Subsidiaries	3.26	-
- Joint Ventures	2.62	7.50
- Associates	2.26	3.38
- Promoter	8.83	10.06
- Subsidiaries/Joint Ventures of Promoter	32.14	19.25
Reimbursement of Expenditure/(Income)		
- Subsidiaries	(1.97)	(1.59)
- Associates	(7.15)	(3.70)
- Joint Ventures	(1.68)	(2.06)
- Promoter	0.59	-
Dividend/Interest received		
- Subsidiaries	81.07	45.09
- Associates	2.79	10.88
- Promoter	1.40	-
- Subsidiaries/Joint Ventures of Promoter	0.32	1.92
Dividend Paid		
- Promoter	33.57	32.14
- Subsidiaries/Joint Ventures of Promoter	7.38	6.99
Sale of Investment		
- Associates	52.95	-
- Promoter	672.61	-
Intercorporate Loan/ Deposits Given		
- Subsidiaries/Joint Ventures of Promoter	-	25.00
Intercorporate Loan/ Deposits Redeemed		
- Associates	1.75	-
- Subsidiaries/Joint Ventures of Promoter	6.50	26.00

Notes to Financial Statements

Particulars	Rs. in Crores	
	2018	2017
Investments Made		
- Subsidiaries	-	74.41
- Joint Ventures	10.00	28.00
Directors Remuneration*		
- Key Management Personnel	7.35	7.21
Contribution to Funds		
- Post Employment Benefit Plans	24.43	19.50

Outstanding at the year end:

Particulars	Rs. in Crores			
	2018		2017	
	Debit	Credit	Debit	Credit
Subsidiary	69.44	17.86	61.66	7.30
Associates	26.12	7.50	27.64	12.00
Joint Ventures	15.32	-	15.46	1.21
Promoter	-	8.07	-	9.04
Joint Venture of Subsidiaries	0.04	-	0.09	-
Subsidiaries/Joint Ventures of Promoter	1.80	11.02	7.73	1.05
Employment Benefit Plans	1.07	-	12.00	-

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

37.c) Details of material transactions entered into with Related Parties for the year ended March 31, 2018:

Particulars	Rs. in Crores	
	2018	2017
Sale of Goods and Services		
- Subsidiaries		
Tata Global Beverages GB Limited	108.38	104.90
Tata Tea Extractions Inc	58.59	56.29
- Joint Ventures		
NourishCo Beverages Limited	33.54	33.88
Other Operating Income		
- Subsidiaries		
Tata Global Beverages Services Limited	43.70	45.41
Tata Coffee Limited	3.87	6.07
- Joint Ventures		
Tata Starbucks Private Limited	10.25	3.84
Rent Paid		
- Associates		
Amalgamated Plantations Pvt Limited	1.48	1.39
Purchase of Goods & Services		
- Subsidiaries		
Tata Coffee Limited	34.01	32.08
- Associates		
Kanan Devan Hills Plantation Company Private Limited	73.03	89.89
Amalgamated Plantations Pvt Limited	186.29	125.75

Notes to Financial Statements

Particulars	Rs. in Crores	
	2018	2017
Other Expenses (Net)		
- Joint Ventures		
NourishCo Beverages Limited	2.62	7.50
- Promoter		
Tata Sons Ltd.	8.83	10.06
- Subsidiaries/Joint Ventures of Promoter		
Tata AIG General Insurance Limited	6.80	9.17
Tata Consultancy Services Limited	12.42	1.89
Tata Industries Limited	4.66	0.41
Reimbursement of Expenditure/(Income)		
- Subsidiaries		
Tata Global Beverages Services Limited	-	(1.25)
Tata Global Beverages GB Limited	(1.93)	(0.58)
- Associates		
Kanan Devan Hills Plantation Company Private Limited	(1.81)	(1.53)
Amalgamated Plantations Pvt Limited.	(2.45)	(2.17)
TRIL Constructions Limited	(2.89)	-
- Joint Ventures		
NourishCo Beverages Limited	(1.50)	(1.92)
Dividend/Interest received		
- Subsidiaries		
Tata Coffee Limited	18.79	13.96
Consolidated Coffee Inc.	22.57	31.13
Tata Global Beverages Group Limited	15.00	-
Tata Global Beverages Capital Limited	19.96	-
Dividend Paid		
- Promoter		
Tata Sons Ltd.	33.57	32.14
- Subsidiaries/Joint Ventures of Promoter		
Tata Investment Corporation Limited	6.33	6.05
Sale of Investment		
- Associates		
Estate Management Services Pvt Limited	52.95	-
- Promoter		
Tata Sons Ltd.	672.61	-
Intercorporate Loan/ Deposits Given		
- Subsidiaries/Joint Ventures of Promoter		
Tata Housing Development Company Limited	-	25.00
Deposit redeemed		
- Associates		
Kanan Devan Hills Plantation Company Private Limited	1.75	-
- Subsidiaries/Joint Ventures of Promoter		
Taj Air Ltd.	6.50	1.00
Tata Housing Development Company Limited	-	25.00

Notes to Financial Statements

Particulars	Rs. in Crores	
	2018	2017
Investments Made		
- Subsidiaries		
Zhejiang Tata Tea Extraction Company Limited	-	74.41
- Joint Ventures		
NourishCo Beverages Limited	-	16.00
Tata Starbucks Private Limited	10.00	12.00
Directors Remuneration		
- Key Management Personnel	7.35	7.21
Contribution to Funds		
- Post Employment Benefit Plans		
Tata Tea Limited Management Staff Gratuity Fund	6.30	2.92
Tata Tea Limited Gratuity Fund	3.54	2.98
Tata Tea Limited Calcutta Provident Fund	12.78	12.28

37.d) Disclosure under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Amount of Loans and Advances in nature of loans outstanding from subsidiaries and associates as at March 31, 2018:

	Rs. in Crores	
	Outstanding March 31, 2018	Maximum during the year
Associate Company		
Kanan Devan Hills Plantation Company Private Limited	22.25	24.00
	(24.00)	(24.00)

38. Interests in other entities

A. Subsidiaries

The Company's direct Subsidiaries as at March 31, 2018 are set out below.

Sl. No.	Name of entity	Country of incorporation	Principal Activities	% holding	
				2018	2017
1	Tata Global Beverages Capital Ltd	UK	Holding company	100.00	100.00
2	Tata Global Beverages Group Ltd. *	U K	Holding company	89.10	89.10
3	Tata Coffee Ltd.	India	Manufacturing, marketing and distribution of coffee & tea	57.48	57.48
4	Tata Tea Extractions Inc.	USA	Manufacturing, marketing and distribution of tea	100.00	100.00
5	Tata Tea Holdings Private Ltd.	India	Investment Company	100.00	100.00

* through Tata Global Beverages Capital Ltd. and Tata Tea Extractions Inc.

B. Joint Ventures

A list of Company's Joint Ventures as at March 31, 2018 is given below.

Sl. No.	Name of entity	Country of incorporation	Principal Activities	% holding	
				2018	2017
1	NourishCo Beverages Ltd.	India	Marketing and distribution of water	50.00	50.00
2	Tata Starbucks Private Ltd.	India	Operating Starbucks Café in India	50.00	50.00

Notes to Financial Statements

C. Associates

A list of Company's Associates as at March 31, 2018 is given below.

Sl. No.	Name of entity	Country of incorporation	Principal Activities	% holding	
				2018	2017
1	Amalgamated Plantations Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	41.03	41.03
2	Kanan Devan Hills Plantation Co. Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	28.52	28.52
3	TRIL Construction Ltd.	India	Development of real estate and infrastructure facilities	32.50	32.50

39. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Rs. in Crores

March 31, 2018	Carrying amount				Fair value			
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial assets								
Investments								
Quoted Equity Instruments	-	-	59.47	59.47	59.47	-	-	59.47
Unquoted Equity Instruments *	-	-	132.96	132.96	-	6.35	126.61	132.96
Unquoted Preference Shares	-	55.05	-	55.05	-	-	55.05	55.05
Loans	20.44	-	-	20.44	-	-	-	-
Other Financial Assets	22.05	-	-	22.05	-	-	-	-
Current Financial assets								
Current Investments	-	536.98	-	536.98	536.98	-	-	536.98
Trade Receivables	136.66	-	-	136.66	-	-	-	-
Cash and Cash Equivalents	232.80	-	-	232.80	-	-	-	-
Other Bank Balances	302.47	-	-	302.47	-	-	-	-
Loans	8.10	-	-	8.10	-	-	-	-
Other Financial assets	33.30	-	0.79	34.09	-	0.79	-	0.79
	755.82	592.03	193.22	1541.07	596.45	7.14	181.66	785.25
Current Financial liabilities								
Borrowings	84.25	-	-	84.25	-	-	-	-
Trade Payables	248.46	-	-	248.46	-	-	-	-
Other Financial Liabilities	91.33	-	-	91.33	-	-	-	-
	424.04	-	-	424.04	-	-	-	-

Notes to Financial Statements

Rs. in Crores

March 31, 2017	Carrying amount				Fair value			
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial assets								
Investments								
Quoted Equity Instruments	-	-	679.88	679.88	679.88	-	-	679.88
Unquoted Equity Instruments *	-	-	131.83	131.83	-	6.26	125.57	131.83
Unquoted Preference Shares	-	50.89	-	50.89	-	-	50.89	50.89
Loans	24.73	-	-	24.73	-	-	-	-
Other Financial assets	21.07	-	-	21.07	-	-	-	-
Current Financial assets								
Current Investment	-	67.70	-	67.70	67.70	-	-	67.70
Trade Receivables	99.62	-	-	99.62	-	-	-	-
Cash and Cash Equivalents	13.76	-	-	13.76	-	-	-	-
Other Bank Balances	7.02	-	-	7.02	-	-	-	-
Loans	11.97	-	-	11.97	-	-	-	-
Other Financial Assets	23.32	-	3.48	26.80	-	3.48	-	3.48
	201.49	118.59	815.19	1135.27	747.58	9.74	176.46	933.78
Current Financial liabilities								
Borrowings	32.26	-	-	32.26	-	-	-	-
Trade Payables	244.33	-	-	244.33	-	-	-	-
Other Financial Liabilities	88.06	-	-	88.06	-	-	-	-
	364.65	-	-	364.65	-	-	-	-

* For certain investments categorized under level 3, cost 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.

B. Measurement of fair values

The basis of measurement with respect to each class of financial asset, financial liability is disclosed in note 2(j) 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 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.

Notes to Financial Statements

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.

At March 31, 2018, the ageing of trade receivables that were not impaired are as follows:

	Rs. in Crores	
	2018	2017
Not past due date	92.18	79.71
Past due 1–90 days	40.48	13.14
Past due 91–180 days	3.11	5.38
Past due more than 180 days	0.89	1.39
	136.66	99.62

Management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behaviour and analysis of customer credit risk.

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

	Rs. in Crores
Balance as at April 1, 2016	6.98
Impairment loss recognised	0.09
Amounts written back	3.50
Balance as at March 31, 2017	3.57
Impairment loss recognised	0.06
Amounts written off	-
Balance as at March 31, 2018	3.63

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.

Notes to Financial Statements

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

		Rs. in Crores				
March 31, 2018	Contractual cash flows					
	Carrying amount	Less than 1 year	1- 2 year	2- 5 years	More than 5 years	
Current Financial Liabilities						
Borrowings	84.25	84.25	-	-	-	
Trade Payables	248.46	248.46	-	-	-	
Other Financial Liabilities	91.33	91.33	-	-	-	

		Rs. in Crores				
March 31, 2017	Contractual cash flows					
	Carrying amount	Less than 1 year	1- 2 year	2- 5 years	More than 5 years	
Current Financial Liabilities						
Borrowings	32.26	32.26	-	-	-	
Trade Payables	244.33	244.33	-	-	-	
Other Financial Liabilities	88.06	88.06	-	-	-	

iv. Market risk

Market risk, 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 in 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.

The Company 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 reputed scheduled bank. The Company reports quarterly to a committee of the board, which monitors foreign exchange risks and policies implemented to manage its foreign exchange exposures.

During the year ended March 31, 2018, 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 instrument is expected to offset changes in cash flows of hedged items.

Notes to Financial Statements

Exposure to currency risk

The currency profile of financial assets and liabilities as at March 31, 2018 and March 31, 2017 are as below:

	Rs. in Crores				
2018	INR	USD	GBP	Others	Total
Financial assets					
Trade receivables	79.33	39.33	-	18.00	136.66
Other Financial Asset	56.14	-	-	-	56.14
	135.47	39.33	-	18.00	192.80
Financial liabilities					
Trade payables	241.23	-	7.23	-	248.46
Other Current financial liabilities	91.33	-	-	-	91.33
	332.56	-	7.23	-	339.79

	Rs. in Crores				
2017	INR	USD	GBP	Others	Total
Financial assets					
Trade receivables	52.85	32.07	-	14.70	99.62
Other Financial Asset	47.87	-	-	-	47.87
	100.72	32.07	-	14.70	147.49
Financial liabilities					
Trade payables	240.29	1.62	2.37	0.05	244.33
Other financial liabilities	88.06	-	-	-	88.06
	328.35	1.62	2.37	0.05	332.39

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 –

Details	Rs. in Crores			
	2018		2017	
	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	2.51	(1.57)	2.14	(1.70)
5% depreciation of the underlying foreign currencies	(2.51)	1.57	(2.14)	1.70

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

Category	Instrument	Currency pair	Rs. in Crores			
			2018		2017	
			FCY Amount (Million)	Rs. in Crores	FCY Amount (Million)	Rs. in Crores
Hedges of highly probable forecasted transactions	Forward contract	USD/INR	8.30	55.44	7.65	49.61
Hedges of highly probable forecasted transactions	Forward contract	AUD/INR	5.50	28.62	5.50	27.29

Notes to Financial Statements

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

Details	Rs. in Crores	
	2018	2017
Balance at the beginning of the period	2.28	0.07
Movement during the year	(2.69)	3.38
Tax impact on above	0.93	(1.17)
BALANCE AT THE END OF THE PERIOD	0.52	2.28

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. Mismatch in demand and supply, adverse weather conditions, market expectations etc., can lead to price fluctuations. 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.

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 owned funds.

The Company's adjusted net debt and equity position is as follows:

	Rs. in Crores	
	2018	2017
Total Borrowings	84.25	32.26
Less: Cash and Cash Equivalents including Bank Deposits	527.80	13.76
Less: Current Investments	536.98	67.70
Less: Inter Corporate Deposits/Loan	26.50	34.75
ADJUSTED NET (CASH)/DEBT	(1007.03)	(83.95)
TOTAL EQUITY	4213.35	3784.55

Notes to Financial Statements

40. Post Retirement Employee Benefits

(i) Defined Contributions

Amount of **Rs. 10.45 Crores** (Rs. 10.62 Crores) is recognised as an expense and included in employee benefit expense for the following defined contribution plans:

	Rs. in Crores	
	2018	2017
Provident Fund	6.31	6.04
Superannuation Fund	2.87	3.36
Employee state insurance schemes	1.27	1.22
	10.45	10.62

(ii) Defined Benefits

Gratuity, Pension and Post Retiral Medical Benefits:

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

Changes in the Defined Benefit Obligation:

	Rs. in Crores							
	Pension		Gratuity		Medical		Others	
	2018	2017	2018	2017	2018	2017	2018	2017
Opening Defined Benefit Obligation	9.64	9.64	55.65	45.64	43.31	34.27	68.58	52.22
Current Service cost	-	-	3.31	2.50	1.75	1.31	2.91	1.87
Past Service cost	-	-	0.45	-	-	1.17	-	-
Interest on Defined Benefit Obligation	0.58	0.93	3.53	3.22	2.92	2.63	4.57	3.94
Actuarial changes arising from change in experience	(0.30)	(0.49)	(0.51)	1.01	0.23	(1.31)	0.50	9.58
Actuarial changes arising from change in demographic assumption	0.10	-	-	-	-	-	-	-
Actuarial changes arising from changes in financial assumption	(0.34)	0.67	(4.25)	7.46	(6.43)	5.95	(6.35)	4.51
Benefits Paid	(1.02)	(1.11)	(3.40)	(4.47)	(0.78)	(0.71)	(3.57)	(3.54)
Liability assumed/(settled)	-	-	(0.03)	0.29	-	-	-	-
CLOSING DEFINED BENEFIT OBLIGATION	8.66	9.64	54.75	55.65	41.00	43.31	66.64	68.58

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

	Rs. in Crores			
	Pension		Gratuity	
	2018	2017	2018	2017
Opening fair value of Plan Assets	6.81	6.97	44.70	37.97
Employers contribution	(0.50)	-	11.04	7.73
Interest on Plan Assets	0.41	0.64	2.85	2.72
Actual return on plan assets less interest on plan assets	0.07	(0.03)	1.31	0.46
Benefits paid	(0.69)	(0.77)	(3.50)	(4.47)
Asset acquired/(settled)	-	-	(0.03)	0.29
CLOSING FAIR VALUE OF PLAN ASSETS	6.10	6.81	56.37	44.70

Notes to Financial Statements

Net Asset/(Liability) recognised in balance sheet:

	Rs. in Crores							
	Pension		Gratuity		Medical		Others	
	2018	2017	2018	2017	2018	2017	2018	2017
Present Value of Funded defined benefit obligation at the year end	5.48	5.99	54.75	55.65	-	-	-	-
Fair value of plan assets at the end of the year	6.10	6.81	56.37	44.70	-	-	-	-
	(0.61)	(0.82)	(1.62)	10.95	-	-	-	-
Present Value of Unfunded defined benefit obligation at the year end	3.18	3.65	-	-	41.00	43.31	66.64	68.58
Asset ceiling	0.31	0.35	-	-	-	-	-	-
AMOUNT RECOGNISED IN BALANCE SHEET	2.87	3.18	(1.62)	10.95	41.00	43.31	66.64	68.58

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

	Rs. in Crores							
	Pension		Gratuity		Medical		Others	
	2018	2017	2018	2017	2018	2017	2018	2017
Current Service Cost	-	-	3.31	2.50	1.75	1.31	2.91	1.87
Interest cost on defined benefit obligation (net)	0.17	0.29	0.68	0.50	2.92	2.63	4.57	3.94
Past Service Cost	-	-	0.45	-	-	1.17	-	-
TOTAL RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS	0.17	0.29	4.44	3.00	4.67	5.11	7.48	5.81

Amounts recognised in Other Comprehensive Income for the year:

	Rs. in Crores							
	Pension		Gratuity		Medical		Others	
	2018	2017	2018	2017	2018	2017	2018	2017
Actuarial changes arising from changes in financial assumption	(0.34)	0.67	(4.25)	7.46	(6.43)	5.95	(6.35)	4.51
Actuarial changes arising from changes in demographic assumption	0.10	-	-	-	-	-	-	-
Actuarial changes arising from changes in experience assumption	(0.30)	(0.49)	(0.51)	1.01	0.23	(1.31)	0.50	9.58
Return on plan asset excluding interest Income	0.07	0.03	(1.31)	(0.46)	-	-	-	-
Adjutment to recognise the effect of asset ceiling	(0.17)	(0.07)	-	-	-	-	-	-
TOTAL RECOGNISED IN OTHER COMPREHENSIVE INCOME	(0.64)	0.14	(6.07)	8.01	(6.20)	4.64	(5.85)	14.09

Maturity Profile of defined benefit obligation:

	Rs. in Crores							
	Pension		Gratuity		Medical		Others	
	2018	2017	2018	2017	2018	2017	2018	2017
Within next 12 months	1.84	1.92	9.34	9.01	1.40	1.24	4.52	3.99
Between 2 and 5 years	4.01	4.49	16.80	17.35	6.16	5.46	21.52	17.74
Between 6 and 9 years	2.66	2.65	20.78	18.65	6.97	4.71	24.99	21.11
10 years and above	3.90	4.73	68.62	62.92	42.40	36.45	130.29	127.62

Notes to Financial Statements

Principal Actuarial assumptions used:

	2018	2017
Discount rates	7.80%	6.85%
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 (2006-08) Ult table	Indian Assured Lives Mortality (2006-08) Ult table

Quantitative sensitivity analysis for significant assumption is as below:

	Rs. in Crores			
	Pension	Gratuity	Medical	Others
	2018	2018	2018	2018
Impact of increase in 50 basis point in discount rate on Defined Benefit Obligation	(0.16)	(2.03)	(2.85)	(2.96)
Impact of decrease in 50 basis point in discount rate on Defined Benefit Obligation	0.17	2.17	3.12	3.22
Impact of increase in 50 basis point in salary escalation on Defined Benefit Obligation	-	2.15	-	-
Impact of decrease in 50 basis point in salary escalation on Defined Benefit Obligation	-	(2.03)	-	-
Impact of increase in 100 basis point in health care cost on Defined Benefit Obligation	-	-	6.54	0.08
Impact of decrease in 100 basis point in health care cost on Defined Benefit Obligation	-	-	(5.28)	(0.07)
Impact of increase in 100 basis point in pension rate on Defined Benefit Obligation	0.10	-	-	1.89
Impact of decrease in 100 basis point in pension rate on Defined Benefit Obligation	(0.09)	-	-	(1.81)

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.

Major Categories of Plan Assets:

	Rs. in Crores			
	Pension		Gratuity	
	2018	2017	2018	2017
Govt of India Securities	0.96	1.01	-	-
PSU bonds	0.96	1.01	-	-
Insurance managed Funds	3.91	4.79	56.26	44.52
Others	0.27	-	0.11	0.18
TOTAL	6.10	6.81	56.37	44.70

The Company contributes all its ascertained liabilities towards gratuity to the trust set up for the same. Trustees administer the contributions made to the trusts. As at March 31, 2018 and March 31, 2017, the plan assets have been primarily invested in insurer managed funds.

Notes to Financial Statements

(iii) Provident Fund

The Company operates Provident Fund Schemes and the contributions are made to recognised funds maintained by the Company and for certain categories contributions are made to State Plans. The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered rates on an annual basis. The Actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumption there is no shortfall as on March 31, 2018 and March 31, 2017.

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

	Rs. in Crores	
	Provident Fund	
	2018	2017
Plan Assets as at period end	124.61	114.53
Present Value of Funded Obligations at period end	124.61	114.53
Amount Recognised in the Balance Sheet	-	-

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

	Rs. in Crores	
	Provident Fund	
	2018	2017
Guaranteed Rate of Return	8.55%	8.65%
Discount Rate for remaining term to Maturity of Investment	7.65%	7.05%
Expected Rate of Return on Investment	9.08%	8.81%

41. Audit fees

	Rs. in Crores	
	2018	2017
Statutory Audit	0.60	0.66
Tax Audit	0.14	0.14
Arrears for Previous year	-	0.20
Other Services	0.57	0.67
Reimbursement of Expenses	0.30	0.39
	1.61	2.06

42. Unless otherwise stated, figures in brackets relate to the previous year. All the numbers have been rounded off to nearest crore.

Independent Auditor's Report

TO THE MEMBERS OF TATA GLOBAL BEVERAGES LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Tata Global Beverages Limited (hereinafter referred to as the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), which includes Group's share of loss in its associates and its joint ventures, comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flow, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the "Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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 sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on financial statements of the subsidiaries and joint ventures referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of

the consolidated state of affairs of the Group as at March 31, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

- (a) We did not audit the financial statements of 40 subsidiaries, whose financial statements reflect total assets of Rs. 9,092.45 crore as at March 31, 2018, total revenues of Rs. 3,207.11 crore and net cash inflows amounting to Rs. 15.96 crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 1.18 crore for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements, in respect of 4 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.
- (b) The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 13.65 crore for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated Ind AS financial statements above 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 and the financial statements certified by the Management.

- (c) The comparative financial information of the Company for the year ended March 31, 2017 prepared in accordance with Ind AS included in these consolidated Ind AS financial statements

has been audited by the predecessor auditor. The report of the predecessor auditor on this comparative financial information and the said opening balance sheet, dated May 30, 2017 expressed an unmodified opinion.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed 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, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent, subsidiary

companies, associate companies and jointly controlled companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 Ind AS 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 Ind AS financial statements, as required under the applicable law

or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.

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

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar

Partner

(Membership No. 039826)

Place: Mumbai

Date: May 11, 2018

Annexure “A” to the Independent Auditor’s Report

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Tata Global Beverages Limited (hereinafter referred to as the “Parent”) and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, Parent, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies

considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)

Place: Mumbai
Date: May 11, 2018

Consolidated Balance Sheet

as at March 31, 2018

	Note	2018	2017
Rs. in Crores			
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	739.71	698.17
Capital Work in Progress		129.52	56.24
Investment Property	4	50.33	68.66
Goodwill	5	3723.50	3497.91
Other Intangible Assets	5	284.64	307.85
Intangible Assets under Development		5.64	6.95
Investments accounted for using Equity method	34(c)	262.84	345.36
Financial Assets			
Investments	6	329.96	939.33
Loans	7	21.02	58.70
Other Financial Assets	8	40.22	37.67
Deferred Tax Assets (net)	19(d)	131.77	61.98
Non-Current Tax Assets (net)	19(c)	56.48	91.40
Other Non Current Assets	9	281.57	89.23
		6057.20	6259.45
Current Assets			
Inventories	10	1448.31	1452.96
Financial Assets			
Investments	6	568.53	166.35
Trade Receivables	11	648.28	592.45
Cash and Cash Equivalents	12	933.49	565.72
Other Bank balances	12	304.65	9.10
Loans	7	272.25	277.57
Other Financial Assets	8	107.22	82.51
Current Tax Assets (net)	19(c)	40.64	13.98
Other Current Assets	9	173.78	141.47
		4497.15	3302.11
Assets of disposal group	40	37.86	51.83
TOTAL ASSETS		10592.21	9613.39
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	63.11	63.11
Other Equity		6968.49	6202.39
Equity attributable to the equity holders of the company		7031.60	6265.50
Non Controlling Interest		1009.04	919.50
TOTAL EQUITY		8040.64	7185.00
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	655.99	450.10
Other Financial Liabilities	15	6.37	6.71
Provisions	16	144.22	198.92
Deferred Tax Liabilities (net)	19(d)	131.45	207.36
Non-Current Tax Liabilities	19(c)	16.97	-
		955.00	863.09
Current Liabilities			
Financial Liabilities			
Borrowings	14	400.19	320.23
Trade Payables	17	705.73	737.76
Other Financial Liabilities	15	261.75	244.08
Other Current Liabilities	18	88.98	78.57
Provisions	16	98.80	125.90
Current Tax Liabilities (net)	19(c)	30.59	33.01
		1586.04	1539.55
Liabilities of disposal group	40	10.53	25.75
TOTAL EQUITY AND LIABILITIES		10592.21	9613.39

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

In terms of our report attached

For and on behalf of the Board

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

N. Chandrasekaran
Chairman
(DIN 00121863)

V. Leeladhar
Director
(DIN 02630276)

S. Santhanakrishnan
Director
(DIN 00032049)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)

Ajoy Misra
Managing Director
(DIN 00050557)

L. KrishnaKumar
Executive Director
(DIN 00423616)

Harish Bhat
Director
(DIN 00478198)

John Jacob
Chief Financial Officer

V. Madan
Company Secretary

Mumbai, May 11, 2018

Consolidated Statement of Profit and Loss

For the year ended March 31, 2018

	Note	2018	2017
Rs. in Crores			
Income			
Revenue from Operations	20	6815.35	6779.55
Other Income	21	94.15	83.10
Total Income		6909.50	6862.65
Expenses			
Cost of Materials Consumed	22	3203.22	3205.82
Purchase of Stock in Trade		542.89	356.44
Change in Inventories of Finished Goods/Work-in-progress/ Stock in Trade	23	(46.80)	(0.69)
Employee Benefits Expense	24	821.37	834.95
Finance Costs	25	42.76	91.53
Depreciation and Amortisation Expense		116.04	126.04
Advertisement and Sale Charges		508.91	584.65
Other Expenses	26	946.85	1007.25
Total Expenses		6135.24	6205.99
Profit before Exceptional Items and Tax		774.26	656.66
Exceptional Items (net)	27	(21.13)	5.30
Profit before Tax		753.13	661.96
Tax Expenses	19 (a)		
Current tax		273.38	228.09
Deferred tax		(87.51)	(29.78)
		185.87	198.31
Profit after Taxation before share of results of investments accounted using equity method		567.26	463.65
Share of net profit/(loss) in Associates and Joint Ventures using equity method		(10.76)	(8.85)
PROFIT FOR THE YEAR		556.50	454.80
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plan		74.46	12.66
Changes in fair valuation of equity instruments		59.42	259.37
		133.88	272.03
Tax impact on above items		(14.51)	(2.42)
		119.37	269.61
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		407.80	(567.36)
Gains/(loss) on Effective portion of cash flow hedges		(28.97)	22.66
		378.83	(544.70)
Tax impact on above items		7.11	(2.88)
		385.94	(547.58)
Total - Other Comprehensive Income		505.31	(277.97)
TOTAL COMPREHENSIVE INCOME		1061.81	176.83
Net Profit for the year - attributable to :			
Owners of Parent		495.56	389.44
Non Controlling Interest		60.94	65.36
Net profit for the year		556.50	454.80
Other Comprehensive Income - attributable to :			
Owners of Parent		436.30	(198.83)
Non Controlling Interest		69.01	(79.14)
Other Comprehensive Income		505.31	(277.97)
Total Comprehensive Income - attributable to :			
Owners of Parent		931.86	190.61
Non Controlling Interest		129.95	(13.78)
TOTAL COMPREHENSIVE INCOME		1061.81	176.83
Earnings Per Share			
Equity share of nominal value of Re. 1 each			
Basic and Diluted	33	7.85	6.17

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

In terms of our report attached

For and on behalf of the Board

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

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John Jacob
Chief Financial Officer

V. Madan
Company Secretary

Mumbai, May 11, 2018

Consolidated Statement of Changes in Equity

as at March 31, 2018

Particulars	Reserve and Surplus										Other Comprehensive Income			Total Other Equity	Non Controlling Interests	Total Equity
	Equity Share Capital	Capital Reserve	Securities Premium Account	Debt Redemption Reserve	Capital Redemption Reserve	Contingency Reserve	Amalgamation Reserves	Revaluation Surplus	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, 2016	63.11	15.79	361.05	81.25	0.10	1.00	8.33	21.86	1118.41	4102.11	(2.78)	350.24	126.70	6184.06	861.77	7108.94
Profit for the year									389.44					389.44	65.36	454.80
Other Comprehensive Income									8.27					(198.83)	(79.14)	(277.97)
Total Comprehensive Income for the year									397.71					190.61	(13.78)	176.83
Transaction with owners in their capacity as owners																
Dividends (including tax on dividend)									(167.18)					(167.18)	(17.76)	(184.94)
Transfer to Retained Earnings									81.25							
Transfer to General Reserve									12.70							
Share of non-controlling Interest on acquisition															102.58	102.58
Adjustment on change in ownership									(5.10)					(5.10)	(13.31)	(18.41)
Balance as at March 31, 2017	63.11	15.79	361.05	-	0.10	1.00	8.33	21.86	1131.11	4396.09	13.87	608.05	(354.86)	6202.39	919.50	7185.00
Profit for the year									495.56					495.56	60.94	556.50
Other Comprehensive Income									55.13					436.30	69.01	505.31
Total Comprehensive Income for the year									550.69					931.86	129.95	1061.81
Transaction with owners in their capacity as owners																
Dividends (including tax on dividend)									(172.67)					(172.67)	(38.53)	(211.20)
Realised gain on equity shares carried at Fair Value through OCI									625.61							
Transfer to General Reserve									31.34							
Adjustment on Disposal of Subsidiary															(3.75)	(3.75)
Adjustment on change in Tax Rate									6.91					6.91	1.87	8.78
Balance as at March 31, 2018	63.11	15.79	361.05	-	0.10	1.00	8.33	21.86	1162.45	5375.29	(2.52)	40.74	(15.60)	6968.49	1009.04	8040.64

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

In terms of our report attached

For and on behalf of the Board

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar

Partner

(Membership No. 039826)

N. Chandrasekaran

Chairman

(DIN 00121863)

V. Leeladhar

Director

(DIN 02630276)

S. Santhanakrishnan

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(DIN 00032049)

L. KrishnaKumar

Executive Director

(DIN 00423616)

Harish Bhat

Director

(DIN 00478198)

John Jacob

Chief Financial Officer

V. Madan

Company Secretary

Mumbai, May 11, 2018

Consolidated Statement of Cash Flow

For the year ended March 31, 2018

	Rs. in Crores	
	2018	2017
A. Cash Flow from Operating Activities		
Net Profit before Tax	753.13	661.96
Adjusted for :		
Depreciation and amortisation	116.04	126.04
Profit on Sale of Non-Current Investments	(33.78)	-
Finance Cost	42.76	91.53
Dividend Income	(14.19)	(19.63)
Profit on sale of current investments (net)	(21.90)	(4.82)
Fair value movement in Financial instruments at fair value through profit and loss	(11.77)	(2.42)
Interest Income	(34.07)	(46.34)
Unrealised foreign exchange (gain) / loss	(2.08)	2.73
Impairment loss recognised in trade receivables	0.34	2.02
Debts and advances written off	0.32	0.90
Provision for doubtful debts and advances no longer required written back	-	(3.50)
(Profit) / Loss on sale of Property, Plant & Equipment including investment property (net)	(2.33)	1.12
Rental Income from Investment Property	(2.26)	(1.02)
Other Exceptional Expense / (Income) (net)	3.45	(5.30)
	40.53	141.31
Operating Profit before working capital changes	793.66	803.27
Adjustments for:		
Trade Receivables & Other Financial Assets	(114.34)	(60.47)
Inventories	(12.78)	157.78
Trade payables & Other Financial Liabilities	(11.76)	51.18
	(138.88)	148.49
Cash generated from operations before Exceptionals	654.78	951.76
Direct taxes paid	(299.20)	(210.56)
Net Cash from Operating Activities	355.58	741.20
B. Cash Flow from Investing Activities		
Payment for Property, Plant and Equipment including Intangibles	(358.82)	(138.19)
Sale of Property, Plant and Equipment	8.78	5.78
Sale of subsidiaries net of expenses	50.54	-
Rental Income from Investment Property	2.26	0.99
Sale of Investment in Associate	119.65	-
Sale of Non Current Investments carried at Fair Value through OCI	672.61	-
Investments in Joint Ventures	(13.22)	(28.00)
(Purchase) / Sale of Current Investments (net)	(372.48)	14.21
Sale of Investment Property	18.95	-
Dividend Income received (including dividend from associates & JVs)	15.50	28.77
Interest Income received	32.97	28.58
(Placement) / Redemption of Fixed deposits (net)	(295.00)	-
Inter Corporate Loans and Deposits (net)	44.16	312.76
Net cash from / (used in) Investing Activities	(74.10)	224.90

	Rs. in Crores	
	2018	2017
C. Cash Flow from Financing Activities		
Redemption of Debentures (including premium)	-	(397.54)
Proceeds from Non current borrowings	226.49	-
Repayment of Non current borrowings	(10.45)	(87.30)
Working capital facilities (net)	(6.48)	(80.53)
Dividend & Dividend Tax paid	(211.78)	(188.99)
Finance Cost paid	(28.17)	(61.48)
Net Cash used in Financing Activities	(30.39)	(815.84)
Net increase / (decrease) in Cash and Cash Equivalents	251.09	150.26
D. Cash and Cash Equivalents		
Balances at the beginning of the year	404.08	333.67
Cash & Cash equivalent of the acquired company	-	11.71
Exchange Gain/ (Loss) on translation of foreign currency cash/cash equivalents	43.00	(91.56)
BALANCES AT THE END OF THE YEAR	698.17	404.08
Cash and Cash Equivalents comprises of:		
Cash and Cash Equivalents	698.17	404.08
Less : Cash and Cash Equivalents relating to disposal group	(0.57)	(1.57)
BALANCES AT THE END OF THE YEAR (Refer Note 12)	697.60	402.51

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

In terms of our report attached

For and on behalf of the Board

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

N. Chandrasekaran
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Director
(DIN 00478198)

John Jacob
Chief Financial Officer

V. Madan
Company Secretary

Mumbai, May 11, 2018

Notes to Consolidated Financial Statements

1. General Information

Tata Global Beverages Limited (“the Holding 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 Tea, Coffee and Water. The Group has branded beverage business operations mainly in India, Europe, US, Canada and Australia, plantation business in India and extraction business mainly in India and US.

The Holding Company is a public limited company incorporated and domiciled in India and has its registered office at Kolkata, West Bengal, India. The Holding 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, 2018 were approved for issue by Company’s Board of Directors on May 11, 2018.

2. Preparation and Presentation of Consolidated Financial Statements

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 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 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 not control or have joint control over 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

Notes to

Consolidated Financial Statements

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 of an associate or joint venture' 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 the,

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill, if the consideration is lower, the gain is recognised directly in equity as capital reserve. In case, business acquisition is classified as bargain purchase, the aforementioned gain is recognised in the other comprehensive income and accumulated in equity as capital reserve. The Group recognises any non-controlling interest in the acquired entity at fair value.

Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

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

Acquisition-related costs are expensed as incurred.

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

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts, 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 loss, if any. Historical cost includes expenditure directly attributable to the acquisition of the items. 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 amount of the replaced part is 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

Notes to

Consolidated Financial Statements

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

The residual values and useful lives of 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 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 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 Group, are classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Investment properties are depreciated using the straight line method over the useful lives. Depreciable investment properties have been ascribed a useful life in the range of 60 years.

(e) Intangible Assets

(i) Goodwill

Goodwill arising on the acquisition of subsidiaries 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

Notes to

Consolidated Financial Statements

classified held 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 or impairment losses. 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) Patent / knowhow

Product development cost incurred on new products having enduring benefits is recognised as Intangible Assets and are amortised over a period of 10 years.

(v) Non-compete fees

Non-compete fees paid on acquisition of business is being amortised over a period of 10 years.

(vi) Computer software

Software development costs are expensed unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the 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 incurred, costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which range between 3 to 5 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 5 years.

(vii) Research and Development

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

(f) Impairment of tangible and intangible assets

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

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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 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 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

Financial 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 where those cash flows represent solely payments of principal and interest are measured at amortised cost.

These are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently, if maturing after 12 months period, using the effective interest method, less any impairment loss.

Debt instruments which do not meet the criteria of amortised cost are measured at fair value and classified as fair value through profit and loss or through other comprehensive income, as applicable.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalent, employee and other advances.

- ii) **Financial assets at fair value through other comprehensive income (FVTOCI)** - All equity investments are measured at fair values. Investments which are not held for trading purposes and where the Group has exercised the option to classify the investment as at FVTOCI, all 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.

- 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.

- iv) **Impairment of financial assets** - The Group assesses expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income 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.

Financial liabilities are subsequently measured at amortised cost using effective interest method. 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 investments.

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

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- (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 shown within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Group only applies fair value hedge accounting for hedging foreign exchange risk on recognised assets and liabilities.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss.

When a hedging instrument expires or is swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss in other equity remains there and is reclassified to statement of profit and loss when the forecasted cash flows affect profit or loss.

When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the statement of profit and loss.

Fair value measurement

The Group classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.
- ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- 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).

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

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

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(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. Such accumulated re-measurement balances are never reclassified into 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 12 months after the end of the reporting period are discounted to their present value.

(k) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the 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

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are not recognised till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is possible.

(l) Income Tax

i) Current Income Tax:

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Group operates.

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.

iii) Minimum Alternate Tax:

According to section 115JAA of the Income Tax Act, 1961, Minimum Alternative Tax ('MAT') paid over and above the normal income tax in a subject year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the relevant entities' normal income tax during the specified period.

(m) Foreign Currency and translations

i) Functional and presentation currency

Items included in the consolidated financial statements of the Group's subsidiaries, 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 Holding Company.

ii) Foreign currency transactions and balances

In standalone entities, 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 translated at the exchange rate prevalent at the date of transaction.

iii) 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.

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On disposal of a foreign operation, the associated exchange differences are reclassified to the statement of profit and loss, as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

(n) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

i) Sale of goods and services

Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per terms of contract, which generally coincide with delivery of the product. Income and fees from services are accounted as per terms of relevant contractual agreements /arrangements. The products are often sold with sales related discounts such as volume discounts, customer rebates, trade support & listing costs and consumer promotional activities as billed by customers. Sales are recorded based on the price specified in the sales contracts, net of the estimated discounts/rebates and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns.

ii) Interest and dividend income

Interest income is recognised 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. Income from investments are accounted on an accrual basis.

(o) Government Grant

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the related costs, which the grants are intended to compensate, are recognised as expenses. Government grants related to property, plant and equipment are presented at fair value and grants are recognised as deferred income.

(p) Leases

As a lessee

Lease of assets, where the Group, as a lessee, has substantially assumed all the risks and rewards of ownership are classified as finance leases. Assets acquired on finance lease are capitalised and depreciated as per Group's policy on Property, Plant and Equipment. Finance lease are measured at the lease's inception at the lower of fair value of the leased property and the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability 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 year.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(q) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Group incurs in connection with the borrowing of funds and interest relating to other financial liabilities.

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Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

(r) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. These are material items of income or expense that have to be shown separately due to their nature or incidence.

(s) Earnings per share

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

(t) Segment Reporting

Segments are identified based on the manner in which the Group's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

(u) Cash and Cash equivalents

Cash and cash equivalents for the purpose of presentation in the statement of cash flows comprises of cash at bank and in hand, bank overdraft and short term highly liquid investments/ bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(v) 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.

(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.

2.3 Key accounting judgement, estimates and assumptions

The preparation of the consolidated financial statements required 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.

The areas involving critical estimates or judgements are:

Goodwill and Intangibles

The Group records all intangible assets acquired as part of a business combination at fair value. Goodwill is assigned an indefinite useful life whilst intangible assets are assigned an indefinite or finite useful life. Goodwill and intangible assets assigned an indefinite useful life are as a minimum subject to annual tests of impairment in line with the accounting policy. (Refer Note 5)

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

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estimated useful life and in the depreciation and amortisation charges. (Refer Note 3, 4 and 5)

Taxation

The Group is subject to taxes in numerous jurisdictions. Significant judgement is required in determining worldwide provisions for taxes. There are many transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. (Refer Note 19)

Employee Benefits

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

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that 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 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 36)

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 35)

2.4 Changes in Accounting Standard and recent accounting pronouncements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers'. The new revenue standard combines, enhances and replaces guidances on recognising revenue with a single standard. It defines a new five-step model to recognise revenue from customer contracts. This standard is mandatory for the accounting period beginning on April 1, 2018. The Group is in the process of evaluating the impact to the financial statements.

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3. Property, Plant and Equipment

	Rs. in Crores							
	Land	Bearer Assets	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipment	Motor Vehicles	Total Tangibles Assets
Cost								
As at April 1, 2016	67.58	-	266.11	1386.92	171.08	8.56	23.35	1923.60
Additions	-	0.36	13.79	73.36	11.53	0.65	2.98	102.67
Disposal	-	-	(4.37)	(24.15)	(3.12)	(0.60)	(2.55)	(34.79)
Adjustment	(0.01)	-	-	-	-	-	-	(0.01)
Transferred to disposal group	(6.45)	-	(37.88)	(46.26)	(0.57)	(2.94)	(0.23)	(94.33)
Translation exchange difference	(1.09)	-	(9.08)	(85.28)	(13.78)	(0.38)	0.01	(109.60)
As at March 31, 2017	60.03	0.36	228.57	1304.59	165.14	5.29	23.56	1787.54
Additions	-	0.68	18.01	92.13	9.04	1.21	2.15	123.22
Disposal	(1.50)	-	(0.73)	(51.06)	(6.01)	(0.60)	(3.04)	(62.94)
Translation exchange difference	0.39	-	8.04	63.67	9.89	0.61	0.06	82.66
As at March 31, 2018	58.92	1.04	253.89	1409.33	178.06	6.51	22.73	1930.48
Accumulated Depreciation								
As at April 1, 2016	1.12	-	102.19	945.62	124.91	6.50	11.89	1192.23
Depreciation/Amortisation for the year	0.13	0.01	10.69	64.13	11.42	0.74	1.85	88.97
Disposal	-	-	(0.44)	(22.99)	(3.18)	(0.61)	(1.78)	(29.00)
Transferred to disposal group	(1.15)	-	(19.48)	(46.23)	(0.52)	(2.45)	(0.21)	(70.04)
Translation exchange difference	(0.10)	-	(4.20)	(76.47)	(11.78)	(0.30)	0.06	(92.79)
As at March 31, 2017	-	0.01	88.76	864.06	120.85	3.88	11.81	1089.37
Depreciation/Amortisation for the year	-	0.03	9.15	53.65	11.40	0.69	1.79	76.71
Disposal	-	-	(0.69)	(40.99)	(4.66)	(0.55)	(2.24)	(49.13)
Translation exchange difference	-	-	7.08	57.50	8.87	0.37	-	73.82
As at March 31, 2018	-	0.04	104.30	934.22	136.46	4.39	11.36	1190.77
Net Carrying Value								
As at March 31, 2017	60.03	0.35	139.81	440.53	44.29	1.41	11.75	698.17
As at March 31, 2018	58.92	1.00	149.59	475.11	41.60	2.12	11.37	739.71

Land includes leasehold land of Rs. 2.02 Crores (Rs. 2.02 Crores) belonging to the holding 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 plantation and for ancillary activities has been leased by the holding company to its associate company Kanan Devan Hills Plantation Company Private Limited for a period of 30 years as part of restructure of its South India Plantation Operation in 2005. 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. 31.24 Crores (Rs. 17.12 Crores).

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4. Investment Property

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

	Rs. in Crores	
	2018	2017
Cost		
Opening Balance	71.83	71.82
Additions	-	-
Disposal	(17.97)	-
Adjustment	-	0.01
Closing Balance	53.86	71.83
Accumulated Depreciation		
Opening Balance	3.17	1.73
Depreciation for the year	1.44	1.44
Deductions / Adjustments	(1.08)	-
Closing Balance	3.53	3.17
Net Carrying Value	50.33	68.66

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

	Rs. in Crores	
	2018	2017
Rental Income	2.34	1.07
Direct operating expenses	(0.54)	(0.59)
Profit from investment property before depreciation	1.80	0.48
Depreciation/Amortisation for the year	(1.44)	(1.44)
Profit/(loss) from Investment Property	0.36	(0.96)

Fair value:

Fair value of the investment properties is Rs. 251.78 Crores based on valuation (sales comparable approach – level 2) by recognised independent valuers. There is no material change in the fair values as compared to the previous year.

Leasing arrangements:

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

	Rs. in Crores	
	2018	2017
Within one year	1.87	2.26
Later than one year but not later than five years	0.86	2.69
Later than five years	-	-

Notes to

Consolidated Financial Statements

5. Goodwill and Other Intangible Assets

	Rs. in Crores						
	Goodwill	Brands / Trademarks	Customer Intangibles	Patent / Knowhow	Capitalised Software	Non Compete Fee	Total Other Intangible Assets
Cost							
As at April 1, 2016	4076.63	313.57	-	17.64	145.52	3.00	479.73
Additions	-	-	-	-	14.86	-	14.86
Disposal	-	-	-	-	(0.55)	-	(0.55)
Acquisition through business combination	131.30	10.66	106.58	-	-	-	117.24
Translation exchange difference	(363.49)	(13.28)	(2.82)	-	(11.67)	-	(27.77)
As at March 31, 2017	3844.44	310.95	103.76	17.64	148.16	3.00	583.51
Additions	-	-	-	-	11.01	-	11.01
Disposal	-	-	-	-	(0.03)	-	(0.03)
Translation exchange difference	227.80	7.03	0.51	-	9.92	-	17.46
As at March 31, 2018	4072.24	317.98	104.27	17.64	169.06	3.00	611.95
Accumulated Depreciation / Impairment							
As at April 1, 2016	367.08	151.04	-	14.20	90.96	2.65	258.85
Depreciation/Amortisation for the year	-	12.07	3.59	0.58	19.09	0.30	35.63
Disposal	-	-	-	-	(0.38)	-	(0.38)
Impairment	27.34	-	-	-	-	-	-
Translation exchange difference	(47.89)	(9.95)	(0.13)	-	(8.36)	-	(18.44)
As at March 31, 2017	346.53	153.16	3.46	14.78	101.31	2.95	275.66
Depreciation/Amortisation for the year	-	11.71	6.88	0.58	18.67	0.05	37.89
Disposal	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Translation exchange difference	2.21	5.81	0.09	-	7.86	-	13.76
As at March 31, 2018	348.74	170.68	10.43	15.36	127.84	3.00	327.31
Net Carrying Value							
As at March 31, 2017	3497.91	157.79	100.30	2.86	46.85	0.05	307.85
As at March 31, 2018	3723.50	147.30	93.84	2.28	41.22	-	284.64

Impairment of Goodwill and intangible assets

Management reviews the carrying value of goodwill and indefinite intangible assets annually to determine whether there has been any impairment. This involves making an assessment of the value of goodwill and intangible assets 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. It has identified India, Canada, US, UK, Other Europe and Australia as its main CGU for the purpose of goodwill allocation.

Goodwill is monitored by the management at each CGU level as mentioned above.

Notes to Consolidated Financial Statements

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

2018	Rs. in Crores				
	Opening	Addition	Impairment	Foreign Exchange	Closing
UK	1402.99	-	-	194.69	1597.68
US	1338.80	-	-	6.53	1345.33
Canada	550.92	-	-	22.37	573.29
Australia	109.69	-	-	0.93	110.62
Other Europe	7.71	-	-	1.07	8.78
India	87.80	-	-	-	87.80
	3497.91	-	-	225.59	3723.50

2017	Rs. in Crores				
	Opening	Addition	Impairment	Foreign Exchange	Closing
UK	1654.97	-	-	(251.98)	1402.99
US	1237.14	131.30	-	(29.64)	1338.80
Canada	580.44	-	-	(29.52)	550.92
Australia	140.11	-	(27.34)	(3.08)	109.69
Other Europe	9.09	-	-	(1.38)	7.71
India	87.80	-	-	-	87.80
	3709.55	131.30	(27.34)	(315.60)	3497.91

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 performance achieved and medium term strategic plans. Any major variations to strategic plan based on experience are incorporated in the calculations. Cash flows beyond the 3 – 5 year period are extrapolated using a long term growth rate. For certain cash generating units, variable growth is considered even beyond five years, given the potential of the business.

Key assumptions in the budgets and 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 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, with reference to historical economic growth rates.
- 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, 2018 have been set out below:

	Pre-tax discount rate	Long-term growth rate
UK	7.7%	2.0%
US	7.6%	2.0%
Canada	7.6%	2.0%
Australia	8.7%	2.0%
Other Europe	6.0%	2.0%

Impairment charges

Based on an assessment carried out, there are no impairment charges in the current year.

In the previous year, the Group recognised an impairment loss of Rs. 27.34 Crores relating to its branded businesses in Australia.

Sensitivity Analysis

We have performed sensitivity analysis around the base assumptions and have concluded that no reasonable possible changes in key assumptions would cause the recoverable amount of the CGUs to be less than the carrying value.

Notes to Consolidated Financial Statements

6. Investments

		Rs. in Crores	
		2018	2017
Non-current Investments			
Quoted Equity Instruments	a	70.30	689.79
Unquoted Equity Instruments	b	137.86	131.90
Unquoted Preference Shares	c	121.80	117.64
Unquoted Debentures \$	d	-	-
Unquoted Government Securities \$	d	-	-
		329.96	939.33
Current Investments			
Mutual Funds - Unquoted (Carried at Fair value through Profit and Loss)		568.53	166.35
		568.53	166.35
TOTAL INVESTMENTS		898.49	1105.68

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

\$ Investment carrying values are below Rs. 0.01 Crores.

Details of investments are as follows:

a) Quoted Equity Instruments

Carried at fair value through Other Comprehensive Income

	Face Value	Nos.		Rs. in Crores	
		2018	2017	2018	2017
Tata Chemicals Ltd.	Rs. 10	865522	11345522	58.58	679.42
Tata Investment Corporation Ltd.	Rs. 10	158469	158469	11.72	10.03
Joonktolle Tea & Industries Ltd.	Rs. 10	-	12602	-	0.22
SBI Home Finance Ltd. \$	Rs. 10	100000	100000	-	-
Industrial Development Bank of India	Rs. 10	-	16160	-	0.12
				70.30	689.79

\$ Investment carrying values are below Rs. 0.01 Crores.

During the year, the Holding Company has sold a significant portion of its holding in Tata Chemicals Limited. Realised gain arising on this transaction amounting to Rs. 625.46 Crores has been accounted under retained earnings.

b) Unquoted Equity Instruments

Carried at fair value through Other Comprehensive Income

	Face Value	Nos.		Rs. in Crores	
		2018	2017	2018	2017
Tata Sons Ltd. *	Rs. 1000	1755	1755	9.75	9.75
Tata Capital Ltd.	Rs. 10	613598	613598	2.73	2.25
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	5.84	-
Wartyhully Estates Ltd.	Rs. 10	-	24748	-	0.01
Southern Scribe Instruments Pvt. Ltd. #	Rs. 100	7280	7280	0.07	0.07
Armstrong Power Private Limited # \$	Rs. 100	375	375	0.01	-
Armstrong Power Systems Private Limited # \$	Rs. 100	460	460	0.01	-
K.T.V Oil Mills Private Limited #	Rs. 100	1035	-	0.01	-
ABC Tea Workers Welfare Services	Rs. 10	20000	20000	0.02	0.02
Assam Hospitals Ltd.	Rs. 10	200000	200000	2.65	3.01
GNRC Ltd.	Rs. 10	50000	50000	0.18	0.18

Notes to Consolidated Financial Statements

	Face Value	Nos.		Rs. in Crores	
		2018	2017	2018	2017
IFCI Venture Capital Funds Ltd.	Rs. 10	250000	250000	0.72	0.74
The Annamallais Ropeways Company Ltd.	Rs. 10	2092	2092	-	-
The Valparai Co-operative Wholesale Stores Ltd.	Rs. 10	350	350	-	-
Suryakiran Apartment Services Private Ltd.\$	Rs. 10	2146	2146	-	-
Jalpaiguri Club Ltd. (Cost Re. 1) \$	Rs. 10	60	60	-	-
Ritspin Synthetics Ltd.	Rs. 10	100000	100000	-	-
Coorg Orange Growers Co-operative Society Ltd.	Rs. 100	4	4	-	-
Tata Coffee Co-operative Stores Ltd.	Rs. 5	20	20	-	-
Coorg Cardamom Co-operative Marketing Society Ltd.	Rs. 100	1	1	-	-
TEASERVE \$ (The Tamil Nadu Tea Manufacturers' Service Industrial Co-Operative Society Ltd.)	Rs. 5000	1	1	-	-
Woodlands Hospital & Medical Res. Centre Ltd. \$	Rs. 10	12280	12280	-	-
				137.86	131.90

\$ Investment carrying values are below Rs. 0.01 Crores.

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	
		2018	2017	2018	2017
Investment in Associates					
Amalgamated Plantations Pvt Ltd.	Rs. 10	67000000	67000000	55.05	50.89
TRIL Constructions Ltd.	Rs. 10	66751852	66751852	66.75	66.75
Other					
Thakurbari Club Ltd (Cost Re. 1) \$	Rs. 100	26	26	-	-
				121.80	117.64

\$ Investment carrying values are below Rs. 0.01 Crores.

Investment in preference shares of Amalgamated Plantations Pvt. Ltd, are redeemable with a special redemption premium, on fulfilment of certain conditions, within 10-12 years from the date of the issue and is designated at fair value through the statement of profit and loss. Preference shares of TRIL Constructions Ltd are non-cumulative and mandatorily fully convertible within six years from the issue date, the same is carried at cost.

d) Quoted Debentures, Unquoted Debentures & Government Securities

Carried at fair value through other comprehensive income

	Face Value	Nos.		Rs. in Crores	
		2018	2017	2018	2017
Unquoted Debentures					
The Bengal Chamber of Commerce & Industry - 6 1/2% Debentures \$	Rs. 1000	7	7	-	-
Shillong Club Ltd - 5% Debentures - (Cost Rs. 2) \$	Rs. 100	31	31	-	-
Unquoted Government Securities:					
W.B. Estates Acquisition Compensation Bond \$				-	-
				-	-

\$ Investment carrying values are below Rs. 0.01 Crores.

Notes to Consolidated Financial Statements

7. Loans

	Rs. in Crores	
	2018	2017
Non-current Loans		
(unsecured and considered good unless otherwise stated)		
Inter Corporate Loans	-	33.17
Inter Corporate Loans to related party	18.75	24.00
Employee Loans and Advances	2.27	1.53
	21.02	58.70
Current Loans		
(unsecured and considered good unless otherwise stated)		
Inter Corporate Loans	210.36	212.36
Inter Corporate Loans to related party	58.50	61.50
Employee Loans and Advances	3.39	3.71
	272.25	277.57
TOTAL LOANS	293.27	336.27

Non-current loans - Inter-corporate loans were backed by pledge over shares of the borrower and by a corporate guarantee and were repaid during the year. Inter-corporate loan to related party is backed by a mortgage of rights on immoveable assets.

Current loans - Inter-corporate loans includes (i) secured loan amounting to Rs. 200.23 Crores (Rs. 199.26 Crores) is secured with mortgage over moveable property and is further backed by pledge of shares of the borrower and by a corporate guarantee and (ii) secured loan amounting to Rs. 4.25 Crores (Rs. 4.25 Crores) which is backed by mortgage over immoveable assets.

8. Other Financial Assets

	Rs. in Crores	
	2018	2017
Non-current		
(unsecured and considered good unless otherwise stated)		
Security Deposit	22.78	21.07
Other Deposits	16.52	16.60
Derivative Financials Assets		
Interest rate swap	0.92	-
	40.22	37.67
Current		
(unsecured and considered good unless otherwise stated)		
Interest Accrued	27.02	23.04
Export Incentive receivable	21.86	18.82
Insurance Claim Receivables	-	0.10
Deposits	8.02	9.19
Derivative Financials Assets		
Forward exchange contract - cashflow hedge	15.91	4.61
Forward contract - Commodity	16.77	16.51
Interest rate swap	-	0.88
Others	17.64	9.36
	107.22	82.51
TOTAL OTHER FINANCIAL ASSETS	147.44	120.18

Non-current security deposits include deposit to related party - Rs. 1.23 Crores (Rs. 1.23 Crores) and doubtful deposits which are fully provided - Rs. 0.29 Crores (Rs. 0.29 Crores). Current deposits include doubtful balances which are fully provided - Rs. 0.38 Crores (Rs. 0.38 Crores). Others includes receivable from related parties - Rs. 10.72 Crores (Rs. 5.75 Crores).

Notes to Consolidated Financial Statements

9. Other Assets

	Rs. in Crores	
	2018	2017
Non-current Assets		
(unsecured and considered good unless otherwise stated)		
Property rights pending development	70.50	70.50
Capital Advance	160.75	9.14
Pension Surplus	11.98	-
Prepayments	30.69	2.05
Others	7.65	7.54
	281.57	89.23
Current Assets		
(unsecured and considered good unless otherwise stated)		
Prepayments	35.64	34.76
Other Trade Advance	139.41	115.19
Less: Transferred to disposal group	(1.27)	(8.48)
	173.78	141.47
TOTAL OTHER ASSETS	455.35	230.70

Property rights pending development represents constructed office space to be delivered to the Holding Company by TRIL Constructions Limited, consequent to a development agreement entered in 2013-14. Other trade advance includes doubtful balances which are fully provided - Rs. 2.36 Crore (Rs. 2.36 Crore).

10. Inventories

	Rs. in Crores	
	2018	2017
(At lower of cost and net realisable value)		
Raw Material	750.25	791.21
Finished Goods	559.05	572.31
Stock in Trade	101.63	63.16
Work in Progress	12.50	6.67
Stores and Spare Parts	34.90	30.36
Less: Transferred to disposal group	(10.02)	(10.75)
TOTAL INVENTORIES	1448.31	1452.96

Raw material includes in-transit inventory of Rs. 18.10 Crores (Rs. 13.04 Crores) and finished goods includes in-transit inventory of Rs. 11.03 Crores (Rs. 8.57 Crores). During the year ended March 31, 2018 - Rs. 3.35 Crores (Rs. 7.10 Crores) was charged to the statement of profit and loss for slow moving and obsolete inventories.

11. Trade Receivables

	Rs. in Crores	
	2018	2017
(unsecured and considered good unless otherwise stated)		
Trade Receivables	645.53	581.66
Receivable from related parties	10.50	17.53
Less: Transferred to disposal group	(7.75)	(6.74)
TOTAL TRADE RECEIVABLES	648.28	592.45

Trade receivables include secured trade receivables amounting to Rs. 34.45 Crores (Rs. 27.25 Crores) and doubtful trade receivables amounting to Rs. 4.84 Crores (Rs. 4.85 crores).

Notes to Consolidated Financial Statements

Movements on the provision for impairment of trade receivables are as follows:

	Rs. in Crores	
	2018	2017
As at April 1	4.85	6.43
Provision for impairment	0.32	1.69
Unused amounts reversed	(0.12)	(3.61)
Exchange differences	(0.21)	0.34
As at March 31	4.84	4.85

12. Cash and Cash Equivalents and Other Bank Balances

	Rs. in Crores	
	2018	2017
Cash and Cash Equivalents		
Balances with Bank		
Current Account	364.76	230.18
Deposit Account	569.24	336.91
Cash/Cheques in hand	0.06	0.20
Less: Transferred to disposal group	(0.57)	(1.57)
	933.49	565.72
Other Bank Balances		
Deposit Account	295.00	-
Unclaimed Dividend Account	9.65	9.10
	304.65	9.10
	1238.14	574.82

Cash and cash equivalents include the following for the purposes of the Statement of Cash Flows:

	Rs. in Crores	
	2018	2017
Cash and Cash Equivalents	933.49	565.72
Bank Overdraft	(235.89)	(163.21)
	697.60	402.51

13. Equity Share Capital

	Rs. in Crores	
	2018	2017
AUTHORISED		
110,00,00,000 Equity Shares of Re. 1 each	110.00	110.00
ISSUED, SUBSCRIBED AND PAID-UP		
63,11,29,729 Equity Shares of Re. 1 each, fully paid-up	63.11	63.11
	63.11	63.11

Notes to Consolidated Financial Statements

a) Details of shareholders holding more than 5% shares is set out as below :

Name of shareholder	2018	2017
	No. of shares % of holding	No. of shares % of holding
Tata Sons Limited	186029710 29.48%	142854570 22.63%
Life Insurance Corporation of India	17851960 2.83%	57792481 9.16%
Tata Chemicals Limited	-	43175140 6.84%

b) Rights, preferences and restrictions of equity shares

The Holding 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 Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Equity shares allotted as fully paid-up (during 5 years precedings March 31, 2018) pursuant to contracts without payment being received in cash.

12731195 equity shares were issued during the financial year 2015-16, consequent to and as part of the amalgamation of the erstwhile Mount Everest Mineral Water Limited with the Holding Company.

d) Dividend paid

Particulars	2018	2017
Dividend Paid (Rs. in Crores)	148.31	142.00
Dividend per share (Rs.)	2.35	2.25

The Board of Directors in its meeting held on May 11, 2018 has recommended a final dividend payment of Rs. 2.50 per share for the financial year ended March 31, 2018.

e) Nature and Purpose of Reserve

i) Capital Reserve

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

ii) Securities Premium Account

Security premium reserve had been created consequent to issue of shares at a premium. These reserves can be utilised in accordance with Section 52 of Companies Act, 2013.

iii) Contingency Reserve

Contingency Reserve is in the nature of free reserves.

iv) Amalgamation Reserves

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

v) Revaluation Reserve

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

Notes to Consolidated Financial Statements

14. Borrowings

	Rs. in Crores	
	2018	2017
(secured unless otherwise stated)		
Non-Current		
Loan From Banks		
Term Loan	667.39	462.28
External Commercial Borrowing	-	4.05
	667.39	466.33
Less : Maturing within the next 12 months	(11.40)	(16.23)
Total Non-current Borrowings	655.99	450.10
Current		
Loan from Banks		
Bank Overdraft	235.89	163.21
Working Capital Facilities	53.34	118.75
Working Capital Facilities - Unsecured	110.96	50.50
Less: Transferred to disposal group	-	(12.23)
Total Current Borrowings	400.19	320.23
Total Borrowings	1056.18	770.33

Note: Change in liabilities are on account of financing activities which have been disclosed in the cashflow statement. 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. 440.95 Crores (Rs. 451.75 Crores) is repayable within March 28, 2022 and is secured over all assets of an overseas subsidiary, interest being charged at the Libor plus a margin. Covenant requires compliance with various restrictive financial covenants, including restrictions on capital expenditures, additional indebtedness, acquisitions and distributions to stockholders.

Debt amounting to Rs. 226.44 Crores is repayable in half yearly instalments commencing from December 28, 2020, 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.

Debts amounting to Nil (Rs. 10.53 Crores) of an overseas subsidiary, repaid during the year.

External Commercial Borrowing amounting to Nil (Rs. 4.05 Crores) for an expansion project of an Indian subsidiary, repaid during the year.

Current Borrowings

Bank Overdraft

Bank overdraft amounting to Rs. 24.25 Crores (Rs. 11.76 Crores) is secured by way of hypothecation of raw materials, finished goods, stores and spares and book debts on pari passu basis.

Bank overdraft amounting to Nil (Rs. 8.28 Crores) denominated in Polish Zloty and secured by a corporate guarantee given by an overseas subsidiary were repaid during the year.

The remaining bank overdrafts totalling Rs. 211.64 Crores (Rs. 143.17 Crores) are part of a Group's cash-pooling arrangement with interest charged at a margin over I.C.E. benchmark administration settlement rate.

Working Capital Facilities

Working capital facilities totalling Rs. 53.34 Crores (Rs. 55.23 Crores) are repayable on demand and secured by way of hypothecation of inventories and book debts, further a part of the working capital facilities of an Indian subsidiary is also secured by hypothecation of coffee crop and deposit of title deeds of a coffee estate.

Working capital facility from bank amounting to Nil (Rs. 63.52 Crores) denominated in Russian Roubles and secured by a corporate guarantee given by an overseas subsidiary were repaid during the year.

Notes to Consolidated Financial Statements

15. Other Financial liabilities

	Rs. in Crores	
	2018	2017
Non-Current		
Deposits	1.41	1.66
Others	4.96	5.05
	6.37	6.71
Current		
Current Maturities of Long Term Borrowings (Refer Note 14)	11.40	16.23
Security Deposites from Customers	41.49	38.16
Unpaid Dividends	9.65	9.10
Interest Accrued but not due	1.79	0.21
Derivative Financial Liabilities		
Forward exchange contract - Cashflow hedge	7.47	2.08
Forward contract - Commodity	10.02	10.88
Interest rate swap	0.72	-
Other Payables	179.21	168.21
Less: Transferred to disposal group	-	(0.79)
	261.75	244.08
TOTAL FINANCIAL LIABILITIES	268.12	250.79

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

16. Provisions

	Rs. in Crores	
	2018	2017
Non-Current		
Employee Benefits	144.22	198.92
	144.22	198.92
Current		
Employee Benefits	36.57	88.87
Other Provisions	62.23	37.03
	98.80	125.90
TOTAL PROVISIONS	243.02	324.82

Movement of Other Provisions - Current

	Rs. in Crores	
	2018	2017
Reorganisation Cost		
Opening balance	11.10	16.41
Provision made during the year	29.72	-
Amount paid/adjusted during the year	(7.78)	(3.56)
Exchange difference	2.24	(1.75)
Closing balance	35.28	11.10
Provision for Trade Obligation		
Opening balance	25.93	19.12
Provision made during the year	1.37	6.81
Amount paid/adjusted during the year	(0.35)	-
Closing balance	26.95	25.93
TOTAL CLOSING BALANCE	62.23	37.03

Notes to

Consolidated Financial Statements

17. Trade Payables

	Rs. in Crores	
	2018	2017
Trade Payables	677.84	724.16
Trade Payables to related parties	38.42	26.33
Less: Transferred to disposal group	(10.53)	(12.73)
TOTAL TRADE PAYABLES	705.73	737.76

18. Other Current Liabilities

	Rs. in Crores	
	2018	2017
Statutory Liabilities	16.61	21.48
Advance from Customers	8.83	6.25
Others	63.54	50.84
TOTAL OTHER CURRENT LIABILITIES	88.98	78.57

19. Taxation

	Rs. in Crores	
a) Tax charge in the Statement of Profit and Loss:	2018	2017
Current tax		
Current year	285.44	249.12
Adjustment relating to earlier years	(12.06)	(21.03)
	273.38	228.09
Deferred tax charge / (credit)	(87.51)	(29.78)
INCOME TAX EXPENSE FOR THE YEAR	185.87	198.31

	Rs. in Crores	
b) Reconciliation of tax expense and tax based on accounting profit:	2018	2017
Profit before income tax expenses	753.13	661.96
Tax at Indian tax rate of 34.61%	260.64	229.09
Effects of:		
Difference in tax rate	22.15	21.66
Relief on US tax rate change	(60.20)	-
Non-deductible tax expenses	6.30	15.78
Income exempt from income taxes	(14.64)	(24.60)
Income subject to Nil tax	(11.21)	-
Tax reversals of previous years	(12.06)	(21.03)
Current year losses for which no deferred tax asset is recognised	7.63	22.17
Recognition of tax effect of previously unrecognised tax losses	(5.94)	(40.49)
Others	(6.80)	(4.27)
	185.87	198.31

Notes to Consolidated Financial Statements

	Rs. in Crores	
	2018	2017
c) Income Tax asset / liabilities		
Non-Current Tax Assets		
Income Tax	30.09	66.53
Dividend Distribution Tax credit	26.39	24.87
	56.48	91.40
Current Tax Assets		
Income Tax	40.64	13.98
	40.64	13.98
TOTAL TAX ASSETS	97.12	105.38
Non-Current Tax Liabilities		
Income Tax	16.97	-
	16.97	-
Current Tax Liability (Net)		
Current Tax	30.59	33.01
	30.59	33.01
TOTAL TAX LIABILITIES	47.56	33.01
NET INCOME TAX ASSETS/(LIABILITIES)	49.56	72.37
		Rs. in Crores
d) Analysis of Deferred Tax Assets and Deferred Tax Liabilities:	2018	2017
Deferred Tax Assets	131.77	61.98
Deferred Tax Liabilities	(131.45)	(207.36)
NET DEFERRED TAX ASSETS/(LIABILITIES)	0.32	(145.38)

	Rs. in Crores					
e) The movement in deferred income tax assets and liabilities during the year:	Property, Plant & Equipment	Intangibles	Employee Benefits Obligation	Tax losses and other timing differences	MAT Credit	Total
As at April 1, 2016	(102.15)	(137.94)	91.18	31.34	39.00	(78.57)
Statement of Profit and Loss (charge) /credit	(9.76)	8.66	4.07	26.81	-	29.78
(Charge)/credit relating to other comprehensive income	-	-	(16.58)	(2.40)	-	(18.98)
Deferred tax liabilities on acquisition	-	(41.03)	-	-	-	(41.03)
MAT Credit adjustment	-	-	-	-	(39.00)	(39.00)
Exchange difference	0.25	1.63	(0.03)	0.57	-	2.42
As at March 31, 2017	(111.66)	(168.68)	78.64	56.32	-	(145.38)
Statement of Profit and Loss (charge) /credit	(20.47)	81.76	7.11	20.12	-	88.52
(Charge)/credit relating to other comprehensive income	-	-	(22.26)	6.95	-	(15.31)
MAT Credit adjustment relating to other comprehensive income	-	-	-	-	65.26	65.26
Others	-	-	-	8.78	-	8.78
Exchange difference	(0.51)	0.34	0.01	(1.39)	-	(1.55)
As at March 31, 2018	(132.64)	(86.58)	63.50	90.78	65.26	0.32

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.

Notes to Consolidated Financial Statements

(f) Unrecognised tax items

The Group has tax losses which arose in the USA of Rs. 83.98 Crores (Rs. 79.63 Crores) that are available for up to 20 years, tax losses in a number of Eastern European countries of Rs. 17.14 Crores (Rs. 33.93 Crores) that are available for up to 5 and 10 years and tax losses in Australia of Rs. 37.99 Crores (Rs. 32.64 Crores) that are available indefinitely. These losses are available for offset against future taxable profits of the companies in which the losses arose. However, as these losses relate to subsidiaries that have a history of losses, deferred tax assets have not been recognised as these losses may not be available to offset taxable profits elsewhere in the Group. In the Holding Company, unutilised capital loss amounted to Rs. 19.22 Crores on which no deferred tax asset is recognised, these losses are available for offset against future capital profits for a period of 8 years.

(g) Deferred tax of unremitted earnings

As at March 31, 2018, deferred tax liability amounting to Rs. 11.29 Crores (Rs. 12.79 Crores) was recognised for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries, associates or joint ventures. The deferred tax liability is based on Group's estimate of distribution of the profits in the foreseeable future and the tax incidence on the same.

20. Revenue from Operations

	Rs. in Crores	
	2018	2017
Sale of Products	6700.68	6672.97
Sale of Services	7.84	7.58
Other Operating Revenues		
Miscellaneous Receipts	33.64	28.05
Royalty Income	41.42	41.07
Export Incentive	31.77	29.88
	6815.35	6779.55

21. Other Income

	Rs. in Crores	
	2018	2017
Interest Income on Advances and Deposits valued at amortised cost	34.07	46.34
Dividend income		
Non-current investments designated at fair value through OCI	14.19	11.37
Non-current investments designated at fair value through profit or loss	-	0.01
Mutual Funds designated at fair value through profit or loss	-	8.25
Fair value movement in Financial instruments at fair value through profit or loss	11.77	2.42
Profit on sale of Current Investments (net)	21.90	4.82
Other non operating income	12.22	9.89
	94.15	83.10

Dividend from equity investments sold during the year – Rs. 11.52 Crores (Nil).

22. Cost of Materials Consumed

	Rs. in Crores	
	2018	2017
Raw Materials Consumed	2832.86	2809.21
Consumption of Packing Materials	370.36	396.61
	3203.22	3205.82

Raw materials consumed include excise duty amounting to Rs. 2.12 Crores (Rs. 8.34 Crores)

Notes to

Consolidated Financial Statements

23. Change in Inventories of Finished Goods/Work-in-progress/Stock in trade

	Rs. in Crores	
	2018	2017
Stock as at April 1		
Finished Goods	572.31	574.70
Stock-in-Trade	63.16	57.65
Work-in-Progress	6.67	9.10
	642.14	641.45
Stock as at March 31		
Finished Goods	559.05	572.31
Stock-in-Trade	101.63	63.16
Work-in-Progress	12.50	6.67
	673.18	642.14
	(31.04)	(0.69)
Less: Adjustment on sale of business	15.76	-
	(46.80)	(0.69)

24. Employees Benefits Expense

	Rs. in Crores	
	2018	2017
Salaries, Wages and Bonus	739.02	765.13
Contribution to Provident Fund and other Funds	54.12	45.00
Workmen and Staff Welfare Expenses	28.23	24.82
	821.37	834.95

25. Finance Costs

	Rs. in Crores	
	2018	2017
Interest Expense on financial liabilities valued at amortised cost	29.31	68.95
Fair valuation adjustment on Inter Corporate loans/investments	-	4.23
Net Interest on defined benefit plans	12.82	15.54
Other Borrowing Cost	0.46	0.81
Exchange differences (net)	0.17	2.00
	42.76	91.53

26. Other Expenses

	Rs. in Crores	
	2018	2017
Manufacturing and Contract Packing Expenses	90.39	91.56
Consumption of Stores and Spare Parts	47.13	47.79
Power and Fuel	87.07	83.19
Repairs and Maintenance	57.17	61.65
Rent	76.21	83.70
Freight	160.10	142.88
Legal and Professional Expenses	112.42	115.69
Miscellaneous Expenses	316.36	380.79
	946.85	1007.25

Miscellaneous expenses include exchange gain of Rs. 5.33 Crores (2017 - Loss – Rs. 12.35 Crores) against which offsets are available elsewhere in the statement of profit and loss.

Notes to

Consolidated Financial Statements

27. Exceptional Items

	Rs. in Crores	
	2018	2017
Income		
Gain on disposal of Subsidiary / Associate	33.78	-
Gain on conversion of joint venture into a subsidiary	-	49.53
	33.78	49.53
Expenditure		
Impairment of Intangible / Other Assets	-	(27.34)
Re-organisation/Business Restructure costs	(65.13)	(7.30)
Gain / (Loss) on non-current assets held for sale	10.22	(7.29)
Others	-	(2.30)
	(54.91)	(44.23)
	(21.13)	5.30

28. Capital Commitment

a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2018:

	Rs. in Crores	
	2018	2017
Estimated amounts of contracts remaining to be executed on capital account	135.00	27.41
	135.00	27.41

b) Commitment towards Share Capital contributions in Joint Ventures - Rs. 40 Crores (Rs. 13 Crores).

29. Contingent Liabilities / Assets not accounted for:

Contingent Liabilities

a) Claims under adjudication not acknowledged as debts:

	Rs. in Crores	
	2018	2017
i. Taxes, Statutory Duties/ Levies etc.	28.40	27.19
ii. Commercial and other Claims	3.24	3.14
	31.64	30.33

b) Labour disputes under adjudication relating to some staff – amount not ascertainable for holding company and Rs. **0.94 Crores** (Rs. 0.94 Crores) for an Indian subsidiary.

c) Bank and other guarantees - **Rs. 8.96 Crores** (Rs. 8.96 Crores).

Contingent Assets

Certain insurance/commercial claims are in the final stages of recovery for which amounts are not quantifiable and hence not reported.

Notes to Consolidated Financial Statements

30. Litigations

- i) Stamp duty claim yet to be reassessed – amount not ascertainable
- ii) Commercial liability claims not established – amounts not ascertainable
- iii) Holding 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 a 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 it is roasted. The subsidiary is part of a Joint Defence Group that is arguing the case on behalf of several leading coffee companies as defendants. The outcome and potential liability, if any, to the subsidiary on account of their sales in the state of California is not determinable at present till the receipt of judgment which is appealable in higher courts.

31. Research & Development Expenditure:

	Rs. in Crores	
	2018	2017
i. Capital	0.95	1.11
ii. Revenue	9.28	9.34
	10.23	10.45

32. Leases

Operating Lease

Group's leasing arrangements are for premises (residential, office, factory, godown and stores), equipment and vehicles, these ranges between 5 months to 15 years and are usually renewable on mutually agreed terms.

Disclosure in respect of operating leases:

	Rs. in Crores	
	2018	2017
Minimum lease payments under Non-cancellable operating lease		
Within one year	28.06	24.66
Later than one year and not later than five years	82.13	76.49
Later than five years	86.21	71.05
TOTAL	196.40	172.20
Lease payments recognised in the Statement of Profit and Loss	80.33	87.26

33. Earnings Per Share

	2018	2017
Group Net Profit (Rs. in Crores)	495.56	389.44
Number of Equity Shares Outstanding	631129729	631129729
Earnings Per Share (Rs.)		
Basic	7.85	6.17
Diluted	7.85	6.17

Notes to

Consolidated Financial Statements

34. Interest in other entities

a) Subsidiaries

The Group's subsidiaries as at March 31, 2018 are set out 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 is set out below:

Sl. No.	Name of entity	Country of incorporation	Principal Activities	Effective ownership (%)		Interest held by non-controlling interests (%)	
				2018	2017	2018	2017
1	Tata Global Beverages Group Ltd.	U K	Holding company	89.10	89.10	10.90	10.90
	Subsidiaries of Tata Global Beverages Group Ltd.						
2	Tata Global Beverages Holdings Ltd.	U K	Holding company	89.10	89.10	10.90	10.90
3	Tata Global Beverages Services Ltd.	U K	Provision of services	89.10	89.10	10.90	10.90
4	Tata Global Beverages GB Ltd.	U K	Manufacturing, marketing and distribution of tea	89.10	89.10	10.90	10.90
5	Tata Global Beverages Overseas Holdings Ltd.	U K	Holding company	89.10	89.10	10.90	10.90
6	Tata Global Beverages Overseas Ltd.	U K	Holding company	89.10	89.10	10.90	10.90
7	Lyons Tetley Ltd.	U K	Dormant	89.10	89.10	10.90	10.90
8	Drassington Ltd.	U K	Dormant	89.10	89.10	10.90	10.90
9	Teapigs Ltd.	U K	Marketing and distribution of tea	89.10	89.10	10.90	10.90
10	Teapigs US LLC	USA	Marketing and distribution of tea	89.10	89.10	10.90	10.90
11	Stansand Ltd.	U K	Dormant	89.10	89.10	10.90	10.90
12	Stansand (Brokers) Ltd.	U K	Dormant	89.10	89.10	10.90	10.90
13	Stansand (Africa) Ltd.	Kenya	Purchase and sale of tea	89.10	89.10	10.90	10.90
14	Stansand (Central Africa) Ltd.	Malawi	Purchase and sale of tea	89.10	89.10	10.90	10.90
15	Tata Global Beverages Polska sp.zo.o	Poland	Marketing and distribution of tea	89.10	89.10	10.90	10.90
16	Tata Global Beverages Czech Republic a.s.	Czech Republic	Manufacturing, marketing and distribution of tea	89.10	89.10	10.90	10.90
17	Tata Global Beverages US Holdings Inc.	USA	Holding company	89.10	89.10	10.90	10.90
18	Tetley USA Inc.	USA	Marketing and distribution of tea	89.10	89.10	10.90	10.90
19	Empirical Group LLC	USA	Marketing and distribution of tea	49.90	49.90	50.10	50.10
20	Tata Water LLC	USA	Marketing and distribution of water	89.10	89.10	10.90	10.90
21	Good Earth Corporation	USA	Holding company	89.10	89.10	10.90	10.90
22	Good Earth Teas Inc.	USA	Marketing and distribution of tea	89.10	89.10	10.90	10.90
23	Tata Global Beverages Canada Inc.	Canada	Marketing and distribution of tea	89.10	89.10	10.90	10.90
24	Tata Global Beverages Australia Pty Ltd.	Australia	Marketing and distribution of tea	89.10	89.10	10.90	10.90
25	Earth Rules Pty Ltd.	Australia	Marketing and distribution of coffee	89.10	89.10	10.90	10.90
26	Tata Global Beverages Investments Ltd.	U K	Holding company	89.10	89.10	10.90	10.90
27	Campestres Holdings Ltd.	Cyprus	Holding company	89.10	89.10	10.90	10.90
28	Kahutara Holdings Ltd.	Cyprus	Holding company	57.92	57.92	42.08	42.08
29	Suntycy Holding Ltd.	Cyprus	Holding company	57.92	57.92	42.08	42.08
30	Onomento Co Ltd.	Cyprus	Holding and assignment of Trademark	57.92	57.92	42.08	42.08
31	Tea Trade LLC (till November 3, 2017)	Russia	Commission trade of Tea and Coffee	-	57.92	-	42.08

Notes to Consolidated Financial Statements

Sl. No.	Name of entity	Country of incorporation	Principal Activities	Effective ownership (%)		Interest held by non-controlling interests (%)	
				2018	2017	2018	2017
32	Sunty LLC (till November 3, 2017)	Russia	Manufacturing, marketing and distribution of tea and Coffee	-	57.92	-	42.08
33	Coffee Trade LLC (w.e.f September 18, 2017)	Russia	Distribution of coffee and Tea	57.92	-	42.08	-
34	Tata Global Beverages Capital Ltd	UK	Holding company	100.00	100.00	-	-
35	Tata Coffee Ltd.	India	Manufacturing, marketing and distribution of Coffee & tea	57.48	57.48	42.52	42.52
Subsidiaries of Tata Coffee Ltd.							
36	Tata Coffee Vietnam Company Ltd.	Vietnam	Manufacturing, marketing and distribution of Coffee	57.48	57.48	42.52	42.52
37	Consolidated Coffee Inc.	USA	Holding company	78.70	78.70	21.30	21.30
Subsidiaries of Consolidated Coffee Inc.							
38	Eight O'Clock Holdings Inc.	USA	Holding company	78.70	78.70	21.30	21.30
39	Eight O'Clock Coffee Company.	USA	Manufacturing, marketing and distribution of Coffee	78.70	78.70	21.30	21.30
40	Tata Tea Extractions Inc.	USA	Manufacturing, marketing and distribution of tea	100.00	100.00	-	-
41	Zhejiang Tata Tea Extraction Company Ltd. (till July 28, 2017)	China	Manufacturing, marketing and distribution of tea	-	89.75	-	10.25
42	Tata Tea Holdings Private Ltd.	India	Investment company	100.00	100.00	-	-

(b) Non-Controlling Interest (NCI)

The material non-controlling interests in the Group arise from the Group's 89.10% stake in the Tata Global Beverages Group Ltd (intermediate holding company in the UK) and 57.48% share in Tata Coffee Limited (which is the holding company of Consolidated Coffee Inc., US and its subsidiaries).

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			
	TGB Group Ltd (CFS)		Tata Coffee Ltd (CFS)	
	2018	2017	2018	2017
Non-current assets	3701.13	3410.47	2128.87	1869.09
Current assets	1731.70	1629.28	767.45	761.69
Total Assets	5432.83	5039.75	2896.32	2630.78
Non-current liabilities	6.09	38.57	1016.60	878.58
Current liabilities	706.78	768.74	418.00	395.60
Total Liabilities	712.87	807.31	1434.60	1274.18
Net Assets	4719.96	4232.44	1461.72	1356.60
Accumulated Non Controlling Interest	533.44	473.13	475.60	449.47

Notes to Consolidated Financial Statements

Summarised Statement of Profit and Loss:

	Rs. in Crores			
	TGB Group Ltd (CFS)		Tata Coffee Ltd (CFS)	
	2018	2017	2018	2017
Revenue	2246.86	2348.89	1557.14	1598.35
Profit for the year	20.88	65.09	187.32	209.73
Other Comprehensive Income	533.50	(608.22)	(11.68)	(8.60)
Total Comprehensive Income	554.38	(543.13)	175.64	201.13
Profit allocated to NCI	87.57	(74.56)	41.98	61.48
Dividend paid to NCI (including dividend tax)	22.45	8.89	16.08	8.87

Summarised Statement of Cash Flows:

	Rs. in Crores			
	TGB Group Ltd (CFS)		Tata Coffee Ltd (CFS)	
	2018	2017	2018	2017
Cash Flows from operating activities	(18.54)	(121.63)	129.18	327.25
Cash Flows from investing activities	146.06	340.63	(192.66)	(126.65)
Cash Flows from financing activities	(125.22)	5.38	101.98	(210.13)
Net increase/ (Decrease) in cash and cash equivalents	2.30	224.38	38.50	(9.53)

(c) Interest in Joint Ventures and Associates

	Rs. in Crores	
	2018	2017
Investment in Joint Ventures	177.92	175.76
Investment in Associates	84.92	169.60
	262.84	345.36

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	
				2018	2017
1	NourishCo Beverages Ltd.	India	Marketing and distribution of Water	50.00	50.00
2	Tata Starbucks Private Ltd.	India	Operating Starbucks Cafes in India	50.00	50.00
3	Southern Tea LLC	USA	Manufacturing and distribution of tea	50.00	50.00
4	Tetley ACI (Bangladesh) Ltd.	Bangladesh	Manufacturing, marketing and distribution of tea	50.00	50.00
5	Tetley Clover (Pvt) Ltd.	Pakistan	Manufacturing, marketing and distribution of tea	50.00	50.00
6	Joekels Tea Packers (Proprietary) Ltd.	South Africa	Manufacturing, marketing and distribution of tea	51.70	51.70

Notes to Consolidated Financial Statements

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

	Rs. in Crores	
	2018	2017
April 1	175.76	256.53
Addition	13.22	28.00
Disposal	-	(86.37)
Share of Profits / (Loss)	(13.21)	(11.73)
Share of Other Comprehensive Income	(0.08)	(0.08)
Dividend Received	(1.32)	(11.87)
Currency Difference	3.55	1.28
March 31	177.92	175.76

Addition relates to additional equity investment in Tata Starbucks Private Ltd. - Rs. 10 Crores (Rs. 12 Crores), NourishCo Beverages Ltd. - Nil (Rs. 16 Crores), Tetley ACI (Bangladesh) Ltd - Rs. 3.07 Crores and Tetley Clover (Pvt) Ltd. - Rs. 0.15 Crores.

Financial information

None of the joint ventures of the Group are individually material, financial information aggregating 100% of the results is as follows:

	Rs. in Crores	
	2018	2017
Profit / (loss) after tax	(24.19)	(25.99)
Other Comprehensive Income	(0.15)	(0.16)
Total Comprehensive Income	(24.34)	(26.15)

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

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	
				2018	2017
1	Amalgamated Plantations Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	41.03	41.03
2	Kanan Devan Hills Plantation Co. Pvt. Ltd.	India	Manufacturing, marketing and distribution of tea	28.52	28.52
3	Estate Management Services Pvt. Ltd. (till December 28, 2017)	Sri Lanka	Provision of expert management services	-	31.85
4	Tril Constructions Ltd.	India	Development of real estate and infrastructure facilities	32.50	32.50

Estate Management Services Pvt. Ltd was disposed of during the year (Refer Note. 39).

Notes to Consolidated Financial Statements

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

	Rs. in Crores	
	2018	2017
April 1	169.60	181.77
Disposal	(91.10)	-
Share of Profits for the year	2.45	2.88
Share of Other Comprehensive Income	4.35	(5.92)
Dividend Received (including dividend tax)	(0.38)	(9.13)
March 31	84.92	169.60

Financial information

None of the associates of the Group are individually material, financial information aggregating 100% of the results is as follows:

	Rs. in Crores	
	2018	2017
Profit / (loss) after tax	25.07	33.26
Other Comprehensive Income	11.56	(11.48)
Total Comprehensive Income	36.63	21.78

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

35. Financial Instruments

A. Accounting classification and fair values

2018	Carrying amount			Fair value				Rs. in Crores
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments								
Quoted Equity Investments		70.30		70.30	70.30			70.30
Unquoted Equity Investments *		137.86		137.86		6.45	131.41	137.86
Unquoted Preference Shares	55.05			55.05			55.05	55.05
Units of Mutual Funds	568.53			568.53	568.53			568.53
Loans								
Non-current			21.02	21.02				-
Current			272.25	272.25				-
Trade Receivables			648.28	648.28				-
Cash and Cash Equivalent			933.49	933.49				-
Other Bank balances			304.65	304.65				-
Other Financial Assets								
Non-current		0.92	39.30	40.22		0.92		0.92
Current		32.68	74.54	107.22		32.68		32.68
	623.58	241.76	2293.53	3158.87	638.83	40.05	186.46	865.34
Financial liabilities								
Borrowings								
Non-current			655.99	655.99				-
Current			400.19	400.19				-
Trade payables			705.73	705.73				-
Other Financial Liabilities								
Non-current			6.37	6.37				-
Current			261.75	261.75				-
	-	-	2030.03	2030.03	-	-	-	-

Notes to Consolidated Financial Statements

Rs. in Crores

2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments								
Quoted Equity Investments		689.79		689.79	689.79			689.79
Unquoted Equity Investments *		131.90		131.90		6.33	125.57	131.90
Unquoted Preference Shares	50.89			50.89			50.89	50.89
Units of Mutual Funds	166.35			166.35	166.35			166.35
Loans								
Non-current			58.70	58.70				-
Current			277.57	277.57				-
Trade Receivables			592.45	592.45				-
Cash and Cash Equivalent			565.72	565.72				-
Other Bank balances			9.10	9.10				-
Other Financial Assets								
Non-current			37.67	37.67				-
Current		22.00	60.51	82.51		22.00		22.00
	217.24	843.69	1601.72	2662.65	856.14	28.33	176.46	1060.93
Financial liabilities								
Borrowings								
Non-current			450.10	450.10				-
Current			320.23	320.23				-
Trade payables			737.76	737.76				-
Other Financial Liabilities								
Non-current			6.71	6.71				-
Current			244.08	244.08				-
	-	-	1758.88	1758.88	-	-	-	-

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

Measurement of fair values

The basis of measurement with respect to each class of financial asset / liability is disclosed in Note 2.2(h) of the financial statement.

The fair value of liquid mutual funds and long term equity investment is based on active market. Fair values of certain non-current investment are valued based on discounted cash flow/book value / EBITDA multiple approach. Derivative financial instruments are valued based on Black-Scholes-Merton approach/Dollar offset principles.

Gross financial liabilities

Under the shareholders' agreement between the group and the European Bank for Reconstruction and Development ("EBRD"), EBRD has invested during 2009 in a 35% stake in the subsidiary, Kahutara Holdings Limited.

Under the shareholders' agreement along with the subsequent amendment, the group has the option, without the consent of EBRD to purchase the remaining 35% shareholding as from August 2022 on an agreed formula. Similarly EBRD has the right, without the consent of the Group, to sell to the Group the remaining 35% stake in the particular subsidiary as from August 2018 as on an agreed formula. The agreed formula is estimated by management to approximate the fair value of the shares to be acquired through these options. As a result, the values of these derivatives are estimated by the management not to be significant and are shown at nil carrying amounts as at March 31, 2018 (2017: nil).

Notes to Consolidated Financial Statements

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 management 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.

Ageing of trade receivables that were not impaired was as follows:

	Rs. in Crores	
Ageing of trade receivables*	2018	2017
Of which:		
Not yet due	556.02	556.11
Past due 1-90 days	86.70	35.69
Past due 91-180 days	7.39	0.84
Past due more than 180 days	5.92	6.55
	656.03	599.19

* Includes balances pertaining to disposal group

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment pattern and analysis of customer credit risk.

Notes to Consolidated Financial Statements

(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 at the reporting date. The amounts are gross and undiscounted and exclude the impact of netting agreements.

2018*	Rs. in crores			
	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 Years
Borrowings	411.59	22.35	500.77	146.46
Trade payables	716.26	-	-	-
Other financial liabilities	250.35	6.37	-	-
	1,378.20	28.72	500.77	146.46

* Includes balances pertaining to disposal group

2017*	Rs. in crores			
	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 Years
Borrowings	348.69	19.95	430.15	-
Trade payables	750.49	-	-	-
Other financial liabilities	228.64	6.71	-	-
	1327.82	26.66	430.15	-

* Includes balances pertaining to disposal group

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 arrangement in place. The Group is also confident that if the need arises debt can be raised from the market at attractive terms. The holding company carries highest credit rating quality for its short term fund based lines from a reputed rating agency.

iv. Market risk

Market risk, 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 in 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.

Notes to Consolidated Financial Statements

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 sub-committee of the board, which monitors foreign exchange risks and policies implemented to manage its foreign exchange exposures.

During the year ended March 31, 2018, the Group 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.

The currency profile of financial assets and financial liabilities:

2018	Rs. in Crores				
	USD	GBP	CAD	Other Currencies	Total
Trade Receivable and Other Financial Assets including loans/advances	303.21	0.74	0.06	14.61	318.62
Borrowings	-	-	-	-	-
Trade Payables and Other Financial Liabilities	25.46	-	-	15.03	40.49
2017	USD	GBP	CAD	Other Currencies	Total
Trade Receivable and Other Financial Assets including loans/advances	322.24	0.54	0.13	18.45	341.36
Borrowings	4.05	-	-	-	4.05
Trade Payables and Other Financial Liabilities	64.70	-	2.14	29.37	96.21

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

Type of Contract	Currency Pair	2018		2017	
		Notional Amount in FCY Mn	Equivalent Amount in Rs. in Crores *	Notional Amount in FCY Mn	Equivalent Amount in Rs. in Crores *
Forward Contracts Outstanding					
i) Exports	GBP / EUR	0.60	4.85	-	-
	GBP / CAD	9.00	45.55	4.83	23.51
	USD / INR	39.35	256.42	28.30	183.54
	AUD / INR	5.50	27.52	5.50	27.29
	EUR / INR	0.77	6.24	0.21	1.38
ii) Payables	GBP / USD	31.50	205.27	25.00	162.12
	USD / RUB	-	-	3.87	25.11
iii) Loans given	GBP / USD	34.63	225.66	36.52	236.85
iv) Loan to subsidiaries	GBP / USD	44.55	290.31	58.38	378.57
	USD / RUB	-	-	4.00	25.94
v) Receivables from Subsidiaries	GBP / PLN	-	-	19.50	32.04
	GBP / CZK	18.00	5.71	78.00	20.01
	GBP / AUD	9.00	45.03	13.20	65.49
	GBP / CAD	2.00	10.12	2.17	10.53
	GBP / RUB	-	-	130.15	14.95
vi) Bank Account	GBP / USD	7.62	49.66	-	-

* converted at the year exchange rates

Notes to Consolidated Financial Statements

Foreign exchange options:

The Group enters into foreign exchange option contracts with the intention to reduce foreign exchange risk of expected purchases denominated in USD, which are measured at fair value through profit and loss. All the option contracts were settled / unwound during the year. As at March 31, 2018 there are no outstanding forward exchange option contracts.

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	Rs. in Crores			
	2018		2017	
	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	3.58	(23.09)	(6.82)	(17.66)
5% depreciation of the underlying foreign currencies	(3.58)	24.00	6.82	18.40

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 impact the provision for retiral benefits.

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

Details of Borrowings	Currency	Rs. in Crores			
		2018		2017	
		Foreign Currency in Mn	Equivalent Amount in Rs. in Crores*	Foreign Currency in Mn	Equivalent Amount in Rs. in Crores*
Term Loan **	USD	64.51	420.39	40.15	260.39

* converted at the year exchange rates

** to the extent of swap entered

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

Change	Rs. in Crores	
	2018	2017
	Effect on Profit before tax	Effect on Profit before tax
25 basis points increase	(0.70)	(0.91)
25 basis points decrease	0.70	0.91

Price Risk

Commodity Price risk

The Group is exposed to fluctuations in price of certain commodities mainly tea and coffee. Mismatch in demand and supply, adverse weather conditions, market expectations etc, which can lead to price fluctuations. The Group manages these fluctuations by actively managing the sourcing of tea, distribution of source of supply, private purchases and alternate blending strategies without impacting the quality of the blend.

Notes to Consolidated Financial Statements

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	Rs. in Crores			
		2018		2017	
		Notional Value in USD Mn	Equivalent Amount in Rs. in Crores*	Notional Value in USD Mn	Equivalent Amount in Rs. in Crores*
a) Coffee	Futures	14.95	97.41	37.57	243.62
b) Coffee	Options	1.88	12.25	3.78	24.52

* converted at the year-end exchange rate

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 and 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 in units of liquid mutual fund 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, 2018 is as follows:

	Rs. in Crores	
	2018	2017
Total Borrowings	1067.58	786.56
Less : Cash and cash equivalent including bank deposits	1228.49	565.72
Less : Current investments	568.53	166.35
Less : Inter-corporate Loans	287.61	331.03
ADJUSTED NET (CASH) / DEBT	(1017.05)	(276.54)
TOTAL EQUITY	8040.64	7185.00

Notes to Consolidated Financial Statements

36. 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. 36.63 Crores (Rs. 38.70 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 to the scheme are generally indexed in line with the retail price index. The benefit payments are from trustee-administered funds. Responsibility for governance of the plan including investment decisions lies with the board of trustees. Contribution schedules are triennially agreed between the Group and the board of trustees. The board of trustees must be composed 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 related to the same.

(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.

Notes to Consolidated Financial Statements

The table below outlines the Group's post-employment benefit liabilities:

	Rs. in Crores	
	2018	2017
Defined benefits - India		
Pension	3.70	4.25
Gratuity	2.16	20.55
Post employment medical benefits	52.56	54.40
Others	84.06	86.24
Defined benefits - Overseas		
Pension	(11.98)	84.97
Life Assurance benefits	3.95	4.35
Post employment medical benefits	6.52	5.52
Liability in the balance sheet	140.97	260.28

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

	Rs. in Crores									
	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Present Value of Funded defined benefit obligation at the year end	5.00	5.99	119.71	115.15	-	-	-	-	1361.43	1232.77
Fair value of plan assets at the end of the year	6.09	6.81	117.55	94.60	-	-	-	-	1373.42	1147.79
	(1.09)	(0.82)	2.16	20.55	-	-	-	-	(11.99)	84.98
Present Value of Unfunded defined benefit obligation at the year end	4.48	4.72	-	-	52.56	54.40	84.06	86.24	-	-
Asset ceiling	0.31	0.35	-	-	-	-	-	-	-	-
Amount recognised in Balance Sheet	3.70	4.25	2.16	20.55	52.56	54.40	84.06	86.24	(11.99)	84.98

Changes in the Defined Benefit Obligation:

	Rs. in Crores									
	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Opening Defined Benefit Obligation	10.71	11.00	115.15	96.24	54.40	47.15	86.24	65.55	1232.77	1302.15
Current Service cost	-	-	7.14	5.68	2.24	2.11	2.91	1.87	-	-
Past Service Cost	-	-	0.47	-	-	1.17	-	-	-	-
Interest on Defined Benefit Obligation	0.64	1.03	7.81	7.00	3.73	3.63	5.85	4.96	36.16	39.78
Actuarial changes arising from change in experience	(0.31)	(0.69)	2.11	0.60	0.34	(5.15)	0.68	10.07	5.90	(1.59)
Actuarial changes arising from change in demographic assumption	0.10	-	-	-	-	-	-	-	(26.15)	(13.52)
Actuarial changes arising from changes in financial assumption	(0.49)	0.69	(6.45)	14.18	(7.03)	6.54	(6.97)	8.41	-	149.50
Benefits Paid	(1.17)	(1.31)	(6.48)	(8.84)	(1.12)	(1.05)	(4.65)	(4.62)	(52.87)	(48.62)
Liability assumed/(settled)	-	-	(0.03)	0.29	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-	-	-	165.62	(194.93)
Closing Defined Benefit Obligation	9.48	10.72	119.72	115.15	52.56	54.40	84.06	86.24	1361.43	1232.77

Notes to Consolidated Financial Statements

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

	Rs. in Crores					
	India				Overseas	
	Pension		Gratuity		Pension	
	2018	2017	2018	2017	2018	2017
Opening fair value of Plan assets	6.81	6.97	94.60	83.55	1147.79	1113.13
Employers contribution	(0.50)	-	21.36	12.86	54.69	30.94
Interest on Plan Assets	0.41	0.64	6.61	6.23	34.35	34.48
Administrative cost	-	-	-	-	(3.62)	(0.88)
Actual return on plan assets less interest on plan assets	0.07	(0.03)	1.59	0.51	29.52	186.08
Benefits Paid	(0.69)	(0.77)	(6.58)	(8.84)	(52.87)	(48.62)
Assets acquired on Acquisition / (settled on Divestiture)	-	-	(0.03)	0.29	-	-
Exchange difference	-	-	-	-	163.56	(167.34)
Closing Fair value of plan assets	6.10	6.81	117.55	94.60	1373.42	1147.79

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

	Rs. in Crores									
	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Current Service Cost	-	-	7.14	5.68	2.24	2.11	2.91	1.87	-	-
Interest cost on defined benefit obligation (net)	0.23	0.39	1.20	0.77	3.73	3.63	5.85	4.96	1.81	5.30
Past Service Cost	-	-	0.47	-	-	1.17	-	-	-	-
Total recognised in the statement of profit and loss	0.23	0.39	8.81	6.45	5.97	6.91	8.76	6.83	1.81	5.30

Amounts recognised in Other Comprehensive Income for the year:

	Rs. in Crores									
	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Actuarial changes arising from change in demographic assumption	0.10	-	-	-	-	-	-	-	(26.15)	(13.52)
Actuarial changes arising from changes in financial assumption	(0.49)	0.69	(6.45)	14.18	(7.03)	6.54	(6.97)	8.41	-	149.50
Actuarial changes arising from changes in experience assumption	(0.31)	(0.69)	2.11	0.60	0.34	(5.15)	0.68	10.07	5.90	(1.59)
Return on plan asset excluding interest Income	(0.07)	0.03	(1.59)	(0.51)	-	-	-	-	(29.52)	(186.08)
Adjustment to recognise the effect of asset ceiling	(0.17)	(0.07)	-	-	-	-	-	-	-	-
Total recognised in Other Comprehensive Income	(0.94)	(0.04)	(5.93)	14.27	(6.69)	1.39	(6.29)	18.48	(49.77)	(51.69)

Notes to Consolidated Financial Statements

Principal Actuarial assumptions used:

	2018	2017
India		
Discount rates	7.80%/7.90%	6.85%/7.50%
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 (2006-08) Ult Table	Indian Assured Lives Mortality (2006-08) Ult Table
Overseas		
Discount rate	2.65%	2.65%
Inflation assumptions		
- RPI	3.15%	3.15%
- CPI	2.25%	2.25%
Rate of increase in pensions in payment	3.45%	3.45%
Rate of increase in pensions in deferment	3.15%	3.15%
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, 2018 is as below:

	India				Rs. in Crores
	Pension	Gratuity	Medical	Others	Overseas Pension
Impact of increase in 50 basis point in discount rate on Defined Benefit Obligation	(0.19)	(4.57)	(3.58)	(3.75)	(101.39)
Impact of decrease in 50 basis point in discount rate on Defined Benefit Obligation	0.20	4.90	3.95	4.19	114.30
Impact of increase in 50 basis point in salary escalation rate on Defined Benefit Obligation	-	4.84	-	-	-
Impact of decrease in 50 basis point in salary escalation rate on Defined Benefit Obligation	-	(4.56)	-	-	-
Impact of increase in 100 basis point in health care costs on Defined Benefit Obligation	-	-	7.92	0.08	-
Impact of decrease in 100 basis point in health care costs on Defined Benefit Obligation	-	-	(6.37)	(0.07)	-
Impact of increase in 25 basis point in RPI inflation rate on Defined Benefit Obligation	-	-	-	-	52.54
Impact of decrease in 25 basis point in RPI Inflation Rate on Defined Benefit Obligation	-	-	-	-	(29.50)
Impact of increase in 100 basis point in pension rate on Defined Benefit Obligation	0.10	-	-	2.39	-
Impact of decrease in 100 basis point in pension rate on Defined Benefit Obligation	(0.09)	-	-	(2.34)	-

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.

Notes to Consolidated Financial Statements

Major Categories of Plan Assets:

Rs. in Crores

	India				Overseas	
	Pension		Gratuity		Pension	
	2018	2017	2018	2017	2018	2017
Govt of India Securities	0.96	1.01	-	-	-	-
PSU bonds	0.96	1.01	-	-	-	-
Insurance managed Funds	3.92	4.79	117.44	94.42	-	-
Equities	-	-	-	-	565.04	562.57
Liability Driven Investments (LDI)	-	-	-	-	366.86	328.63
Multi asset credit	-	-	-	-	320.77	160.27
Property	-	-	-	-	103.24	84.18
Cash & Insurance policies	-	-	-	-	17.51	12.14
Others	0.27	-	0.11	0.18	-	-
Total	6.11	6.81	117.55	94.60	1373.42	1147.79

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, 2018 and March 31, 2017, the plan assets have been primarily invested in insurer managed funds.

Overseas

The nature of the Scheme exposes the Group to the risk of paying unanticipated additional contributions to the Scheme in times of adverse experience. The most financially significant risks are likely to be:

- Asset volatility

The Scheme's liabilities are calculated using a discount rate set with reference to corporate bond yields in line with the requirements of Ind AS 19. If the Scheme assets underperform this yield, it will increase the deficit. The plan holds investments across a range of asset classes which are expected to outperform corporate bonds in the long term but have volatility and risks in the short term.

- Changes in bond yields

A decrease in corporate bond yields will increase plan liabilities. In the event of a reduction in the corporate bond yields there will be an increase in the value of the Scheme's interest rate swaps and derivatives held which reduce exposure to this risk by approximately 50%.

- 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 90% of this risk.

- Life expectancy

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

Asset-liability matching strategies used by the overseas scheme

The scheme's investment strategy included holding a 25% allocation to liability-driven investments which involves hedging the fund's exposure to changes in interest rates and inflation through use of liability driven investments (LDI) which typically involves swaps and derivatives and a 23% exposure to multi-asset credit with the remaining portfolio invested in equities and property.

Notes to Consolidated Financial Statements

Expected contributions over the next financial year:

The Group expects to contribute approximately Rs. 37.26 Crores to the Schemes in the year ending March 31, 2019.

Maturity Profile of defined benefit obligation (undiscounted basis):

	Rs. in Crores									
	India								Overseas	
	Pension		Gratuity		Medical		Others		Pension	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Within next 12 months	1.97	2.58	17.06	13.49	2.05	1.73	5.81	5.15	45.18	34.01
Between 2 and 5 years	4.45	6.02	38.57	37.84	8.76	7.49	26.84	22.75	195.42	169.18
Between 6 and 9 years	2.97	3.43	47.37	42.80	9.55	6.84	30.84	26.90	221.23	202.37
10 years and above	4.29	5.44	160.92	151.32	58.81	52.64	160.22	158.61	1696.05	1688.50

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 5.0% p.a. and in the UK of 5.4% p.a.

The liability recognised in the balance sheet as at March 31, 2018 was Rs. 6.52 Crores (Rs. 5.20 Crores).

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, 2018 was Rs. 3.95 Crores (Rs. 4.35 Crores).

iii) Provident Fund

The Holding Company operates Provident Fund Schemes and the contributions are made to recognised funds maintained by the holding company and for certain categories contributions are made to State Plans. The holding company has an obligation to fund any shortfall on the yield of the trust's investments over the administered rates on an annual basis. There are no shortfalls as at March 31, 2018 and March 31, 2017.

Notes to Consolidated Financial Statements

37. Segment Report

A. General Information

For management purposes, the Group has organised its businesses into Branded Segment and Non Branded Segment. Branded Segment is further sub-categorised as Branded Tea, Branded Coffee and the residual as Branded Others. Description of each category is as follows:

i) Branded Business -

Branded Tea: Sale of branded tea and various value added forms

Branded Coffee: Sale of coffee in various value added forms

Branded Others: Sale of water products

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. In addition, the CODM also reviews Group's performance through a regional structure which is based on geographical markets, accordingly geographical revenue information is disclosed as an additional information.

B. Information about reportable segments

a) Segment Revenue

	Rs. in Crores	
	2018	2017
Branded		
Tea	4922.79	4803.48
Coffee	1079.52	1117.84
Others	35.73	35.96
Total Branded	6038.04	5957.28
Non Branded	815.17	890.05
Total Segments Revenue	6853.21	6847.33
Less: Inter-Segment Revenue	(37.86)	(67.78)
Revenue from External Customer	6815.35	6779.55

Notes to Consolidated Financial Statements

b) Segment Results

	Rs. in Crores	
	2018	2017
Branded		
Tea	689.72	577.72
Coffee	197.63	178.92
Others	(18.24)	(22.11)
Total Branded	869.11	734.53
Non Branded	41.71	136.97
Total Segments	910.82	871.50
Add/Less:		
Other Income	94.14	83.10
Finance Cost	(42.76)	(91.53)
Other Unallocable items	(187.94)	(206.41)
Exceptional Items	(21.13)	5.30
Profit before Income Tax	753.13	661.96

c) Segment Assets and Liabilities

	Rs. in Crores	
	2018	2017
Segment Assets		
Branded		
Tea	4420.96	4145.91
Coffee	1772.84	1763.13
Others	47.41	44.81
Total Branded	6241.21	5953.85
Non Branded	1255.68	965.55
Total Segments	7496.89	6919.40
Unallocable Corporate Assets	3095.32	2693.99
Total Assets	10592.21	9613.39
Segment Liabilities		
Branded		
Tea	794.52	795.74
Coffee	163.78	178.62
Others	18.18	40.42
Total Branded	976.48	1014.78
Non Branded	140.35	111.25
Total Segments Liabilities	1116.83	1126.03
Unallocable Corporate Liabilities	1434.74	1302.36
Total Liabilities	2551.57	2428.39

Notes to Consolidated Financial Statements

d) Addition to non-current assets

	Rs. in Crores	
	2018	2017
Branded		
Tea	41.50	303.27
Coffee	8.90	25.99
Others	3.87	1.67
Total Branded	54.27	330.93
Non Branded	151.91	62.37
Total Segments	206.18	393.30

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

e) Depreciation and Amortisation Expense

	Rs. in Crores	
	2018	2017
Branded		
Tea	50.89	54.51
Coffee	36.60	39.78
Others	1.79	1.66
Total Branded	89.28	95.95
Non Branded	26.75	30.09
Total Segments	116.03	126.04

C. Geographical Information

Geographical branded sales revenue are based on the location of sales

	Rs. in Crores	
	2018	2017
Branded		
Canada America & Australia	1732.96	1591.82
EMEA	1345.59	1547.60
South Asia	2895.67	2767.18
Others	63.82	50.68
Total Branded Revenues	6038.04	5957.28

Notes to Segment report

- 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, other income and exceptional items.
- b) Pricing of inter segment transfers are based on benchmark market prices.

Notes to

Consolidated Financial Statements

38. Related party transaction

Related parties other than Joint Ventures and Associate with whom Group has transactions are given below, Refer Note 34 for list of Joint Ventures and Associates.

Promoter

Tata Sons Ltd.

Subsidiaries and Joint Venture of Tata Sons Ltd.

Tata Consultancy Services Ltd.

Tata Investment Corporation Ltd.

Tata Housing Development Co. Ltd.

Tata AIG General Insurance Co Ltd.

Tata AIA Life Insurance Co. Ltd.

Tata Capital Forex Ltd. (till October 30, 2017)

Taj Air Limited

Tata Business Support Services Ltd. (till November 27, 2017)

Infiniti Retail Ltd.

Tata Interactive System Ltd.

Tata International Singapore PTE Ltd.

Tata Elxsi Ltd.

Ewart Investments Ltd.

Tata Uganda Ltd.

Tata Ltd.

Tata Teleservices Ltd.

Tata Industries Ltd.

Tata Capital Financial Services Ltd.

Subsidiary of an Associate

Watawala Plantations Plc. (till December 28, 2017)

Key Managerial Personnel

Mr. Ajoy Misra - 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 Consolidated Financial Statements

Particulars of transactions during the year ended March 31, 2018:

	Rs. in crores	
	2018	2017
Sale of Goods and Services		
Joint Ventures	45.92	42.52
Associates	1.01	1.55
Subsidiaries and Joint Ventures of Promoter	0.30	0.30
Other Operating Income		
Joint Ventures	10.62	4.14
Associates	2.50	2.20
Sale of Fixed Assets		
Joint Ventures	0.38	-
Purchase of Goods & Services		
Joint Ventures	221.07	160.24
Associates	259.98	227.68
Subsidiaries and Joint Ventures of Promoter	19.80	0.03
Rent Paid		
Associates	2.09	1.90
Other Expenses (Net)		
Joint Ventures	2.62	7.50
Associates	2.26	3.38
Promoter	13.19	13.29
Subsidiaries and Joint Ventures of Promoter	45.31	29.20
Directors Remuneration *	8.07	8.41
Dividend Paid		
Promoter	33.57	32.14
Subsidiaries and Joint Ventures of Promoter	7.38	6.99
Dividend/Interest Received		
Associates	2.79	10.88
Promoter	1.40	-
Subsidiaries and Joint Ventures of Promoter	5.02	8.61
Sale of Investments		
Promoter	672.61	-
Associates	52.95	-
Reimbursement of Expenditure/(Income)		
Joint Ventures	(1.68)	(2.06)
Associates	(7.15)	(3.70)
Promoter	0.59	-
Intercompany Loan/ Deposits Given		
Subsidiaries and Joint Ventures of Promoter	-	25.00
Deposit redeemed		
Subsidiaries and Joint Ventures of Promoter	6.50	36.00
Associates	1.75	-
Investments Made		
Joint Ventures	13.22	28.00
Contribution to Funds - Employee Benefit Plans	37.47	27.42

* Provision for employee benefits, which are based on actuarial valuation done on an overall basis, is excluded. The above does not include share of recurring/special benefits payables to former directors.

Notes to

Consolidated Financial Statements

Details of material transactions with related party:

	Rs. in crores	
	2018	2017
Sale of Goods and Services		
Joint Ventures		
NourishCo Beverages Ltd.	33.54	33.88
Tata Starbucks Pvt. Ltd.	11.92	8.19
Other Operating Income		
Joint Ventures		
Tata Starbucks Pvt. Ltd.	10.25	3.84
Associates		
Kanan Devan Hills Plantation Company Pvt. Ltd.	2.50	2.20
Purchase of Goods & Services		
Joint Ventures		
Southern Tea LLC.	219.54	157.37
Associates		
Kanan Devan Hills Plantation Company Pvt. Ltd.	73.03	89.89
Amalgamated Plantations Pvt Ltd.	186.29	125.75
Subsidiaries and Joint Ventures of Promoter		
Tata Uganda Ltd.	19.74	-
Rent Paid		
Associates		
Amalgamated Plantations Pvt Ltd.	1.48	1.39
Other Expenses (Net)		
Joint Ventures - NourishCo Beverages Ltd.	2.62	7.50
Associate - Amalgamated Plantations Pvt Ltd.	2.26	3.38
Promoter - Tata Sons Ltd.	13.19	13.29
Subsidiaries and Joint Ventures of Promoter		
Taj Air Limited	2.90	3.80
Tata AIG General Insurance Ltd.	6.80	9.17
Tata Industries Ltd.	4.66	0.41
Tata Consultancy Services Ltd.	22.08	9.09
Dividend Paid		
Promoter - Tata Sons Ltd.	33.57	32.14
Subsidiaries and Joint Ventures of Promoter		
Tata Investment Corporation Ltd.	6.33	6.05
Dividend/Interest Received		
Promoter - Tata Sons Ltd.	1.40	-
Subsidiaries and Joint Ventures of Promoter		
Tata Housing Development Company Ltd.	4.71	7.84
Associates		
Kanan Devan Hills Plantation Company Pvt. Ltd.	2.79	2.91
Amalgamated Plantations Pvt Ltd.	-	3.67
Estate Management Services Pvt Ltd.	-	4.31

Notes to Consolidated Financial Statements

	Rs. in crores	
	2018	2017
Sale of Investments		
Promoter - Tata Sons Ltd.	672.61	-
Reimbursement of Expenditure/(Income)		
Joint Ventures		
NourishCo Beverages Ltd.	(1.50)	(1.92)
Associates		
Kanan Devan Hills Plantation Company Pvt. Ltd.	(1.81)	(1.53)
Amalgamated Plantations Pvt Ltd.	(2.45)	(2.17)
TRIL Constructions Ltd.	(2.89)	-
Intercorporate Loan/ Deposits Given		
Subsidiaries and Joint Ventures of Promoter		
Tata Housing Development Company Ltd.	-	25.00
Deposit redeemed		
Subsidiaries and Joint Ventures of Promoter		
Tata Housing Development Company Ltd.	-	35.00
Investments Made		
Joint Ventures		
NourishCo Beverages Ltd.	-	16.00
Tetley ACI (Bangladesh) Ltd.	3.07	-
Tata Starbucks Pvt. Ltd.	10.00	12.00
Contribution to Funds - Employee Benefit Plans		
Tata Coffee Limited Employees Gratuity Fund	10.08	5.13
Tata Coffee Limited Staff Provident Fund	1.82	1.45
Tata Tea Limited Management Staff Gratuity Fund	6.30	2.92
Tata Tea Limited Calcutta Provident Fund	12.78	12.36
Balances Outstanding		
Debit		
Joint Ventures	15.32	15.46
Associates	26.12	27.64
Subsidiaries and Joint Ventures of Promoter	58.73	65.82
Credit		
Joint Ventures	6.53	9.12
Associates	7.50	12.00
Promoter	10.19	9.04
Subsidiaries and Joint Ventures of Promoter	12.99	1.19
Employee Benefit Plans	139.40	125.81

Notes to Consolidated Financial Statements

39. Disposal Notes

Estate Management Services Private Limited, Sri Lanka

Group divested its 31.85% holding in its overseas Associate, Estate Management Services Private Limited (EMSPL), Sri Lanka on December 28, 2017 for a sale consideration of Rs. 119.65 Crores. Gain on disposal of Rs. 28.67 Crores has been reported under exceptional items.

Zhejiang Tata Tea Extraction Company Limited, China

Group disposed its stake in its Chinese subsidiary, Zhejiang Tata Tea Extraction Company Limited, reported within Non-branded segment, on July 28, 2017, for a sale consideration of Rs. 17.24 Crores. Gain on disposal of Rs. 5.11 Crores reported under exceptional items.

Sunty LLC and Teatrade LLC, Russia

The Group completed the restructuring of its Russian operations which has resulted in the sale of two subsidiaries (Sunty LLC and Teatrade LLC). Cash proceeds amounted to Rs. 42.37 Crores and net assets disposed were Rs. 47.28 Crores. The associated restructuring cost and reversal of foreign currency translation reserve amounted to Rs. 13.12 Crores. The pre-tax loss of Rs. 18.03 Crores is accounted in Re-organisation/Business Restructuring cost under exceptional items (Refer Note 27). The non-controlling interest's share of the total loss was Rs. 6.17 Crores.

40. Non-current assets held for sale

Certain assets and liabilities relating to businesses in Eastern Europe (previous year – Eastern Europe and China) have been presented as held for sale.

Following assets and liabilities were reclassified as held for sale as at March 31, 2018:

	Rs. in Crores	
	2018	2017
Assets		
Non Current Assets (incl Goodwill)	18.25	24.29
Current Assets	19.61	27.54
	37.86	51.83
Liabilities		
Current Liabilities	10.53	25.75
	10.53	25.75

During the year, in accordance with Ind AS 105 - Non-current assets held for sale, the prior year write down relating to assets held for sale was partially reversed to the extent of upward revision of estimated fair value less cost to sell. The said reversal of Rs. 10.22 Crores has been accounted under exceptional items (Refer Note 27).

Notes to Consolidated Financial Statements

41. 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 Global Beverages Limited	59.92%	4213.35	107.82%	534.32	14.70%	64.13	64.22%	598.45
Subsidiaries									
Indian									
1	Tata Coffee Ltd.	13.09%	920.16	12.66%	62.76	-0.47%	(2.05)	6.51%	60.71
2	Tata Tea Holdings Private Ltd.	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
Foreign									
1	Consolidated Coffee Inc. (Consolidated Financials)	9.89%	695.09	32.49%	161.00	-2.50%	(10.91)	16.11%	150.09
2	Tata Coffee Vietnam Company Ltd.	0.00%	33.57	-0.52%	(2.56)	-0.67%	(2.94)	-0.01%	(5.50)
3	Tata Tea Extractions Inc.	4.58%	322.25	3.52%	17.44	-	-	1.87%	17.44
4	Zhejiang Tata Tea Extraction Company Ltd.	-	-	-0.44%	(2.18)	-	-	-0.23%	(2.18)
5	Tata Global Beverages Capital Ltd	11.78%	828.31	3.20%	15.86	-	-	1.70%	15.86
6	Tata Global Beverages Group Ltd.	30.89%	2172.22	18.10%	89.71	-	-	9.63%	89.71
7	Tata Global Beverages Holdings Ltd.	22.88%	1608.76	-	-	-	-	0.00%	0.00
8	Tata Global Beverages Services Ltd.	45.10%	3171.01	2.37%	11.74	-	-	1.26%	11.74
9	Tata Global Beverages GB Ltd.	28.78%	2023.61	3.33%	16.48	9.23%	40.29	6.09%	56.77
10	Tata Global Beverages Overseas Holdings Ltd.	-5.51%	(387.71)	-2.07%	(10.26)	-	-	-1.10%	(10.26)
11	Tata Global Beverages Overseas Ltd.	-0.10%	(7.22)	-	-	-	-	-	-
12	Lyons Tetley Ltd.	-	-	-	-	-	-	-	-
13	Drassington Ltd.	-	-	-	-	-	-	-	-
14	Teapigs Ltd.	1.28%	90.00	1.49%	7.37	-	-	0.79%	7.37
15	Teapigs US LLC	-0.07%	(4.88)	-0.44%	(2.17)	-	-	-0.23%	(2.17)
16	Empirical Group LLC	-2.41%	(169.69)	8.71%	43.15	-	-	4.63%	43.15
17	Tata Waters LLC	-0.00%	(0.49)	(0.00)	(0.51)	-	-	-0.00%	(0.51)
18	Stansand (Brokers) Ltd.	-	-	-	-	-	-	-	-
19	Stansand (Africa) Ltd.	0.16%	11.14	0.53%	2.61	-	-	0.28%	2.61
20	Stansand (Central Africa) Ltd.	0.06%	4.02	0.25%	1.22	-	-	0.13%	1.22
21	Tata Global Beverages Polska sp.zo.o	0.11%	7.43	0.73%	3.60	-	-	0.39%	3.60
22	Tata Global Beverages Czech Republic a.s.	0.18%	12.98	-0.95%	(4.72)	-	-	-0.51%	(4.72)
23	Tata Global Beverages US Holdings Inc.	5.55%	390.17	-0.66%	(3.28)	-	-	-0.35%	(3.28)
24	Tetley USA Inc.	4.33%	304.67	1.87%	9.27	-	-	0.99%	9.27
25	Good Earth Corporation.	-0.10%	(6.71)	-0.06%	(0.31)	-	-	-0.03%	(0.31)
26	Good Earth Teas Inc.	-0.36%	(25.64)	-3.58%	(17.75)	-	-	-1.90%	(17.75)
27	Tata Global Beverages Canada Inc.	0.52%	36.62	1.23%	6.08	-	-	0.65%	6.08
28	Tata Global Beverages Australia Pty Ltd.	0.28%	19.45	0.42%	2.08	-	-	0.22%	2.08
29	Earth Rules Pty Ltd.	-0.67%	(46.90)	-1.48%	(7.34)	-	-	-0.79%	(7.34)
30	Tata Global Beverages Investments Ltd.	48.59%	3416.51	-16.56%	(82.08)	1.08%	4.70	-8.30%	(77.38)
31	Campestres Holdings Ltd.	-0.01%	(0.81)	-1.71%	(8.47)	-	-	-0.91%	(8.47)
32	Kahutara Holdings Ltd.	-1.89%	(132.61)	-8.65%	(42.88)	-	-	-4.60%	(42.88)
33	Suntco Holding Ltd. (Consolidated Financials)	-0.70%	(48.88)	-0.30%	(1.49)	-	-	-0.16%	(1.49)
	Non-controlling Interest in all Subsidiaries	-14.35%	(1009.04)	-12.30%	(60.94)	-15.82%	(69.01)	-13.95%	(129.95)

Notes to Consolidated Financial Statements

Sl. No.	Name of the Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As a % of Consolidated Net Assets	Amount (Rs. in Crores)	As a % of Consolidated Profit or Loss	Amount (Rs. in Crores)	As a % of Consolidated OCI	Amount (Rs. in Crores)	As a % of Total Comprehensive Income	Amount (Rs. in Crores)
Associates									
Indian									
1	Amalgamated Plantations Pvt. Ltd.	1.14%	79.88	-2.18%	(10.82)	0.78%	3.42	-0.79%	(7.40)
2	Kanan Devan Hills Plantations Co. Pvt. Ltd.	0.34%	24.21	0.19%	0.92	0.21%	0.92	0.20%	1.84
3	TRIL Constructions Ltd.	0.74%	51.79	-0.25%	(1.24)	-	-	-0.13%	(1.24)
Foreign									
	Estate Management Services Pvt. Ltd.	-	-	2.75%	13.65	-	-	1.46%	13.65
Joint Ventures									
Indian									
1	NourishCo Beverages Ltd.	0.17%	11.99	0.17%	0.83	0.00%	0.03	0.09%	0.86
2	Tata Starbucks Private Ltd.	1.30%	91.15	-3.07%	(15.23)	-0.03%	(0.11)	-1.65%	(15.34)
Foreign									
1	Joekels Tea Packers (Proprietary) Ltd.	0.16%	11.21	0.46%	2.26	-	-	0.24%	2.26
3	Southern Tea LLC	0.63%	44.46	0.14%	0.70	-	-	0.08%	0.70
4	Tetley ACI (Bangladesh) Ltd.	-0.02%	(1.25)	-0.35%	(1.74)	-	-	-0.19%	(1.74)
5	Tetley Clover (Pvt) Ltd.	0.00%	0.11	-0.01%	(0.03)	-	-	0.00%	(0.03)
	Consolidation Eliminations/ adjustments	-166.71%	(11722.68)	-46.71%	(231.48)	93.47%	407.83	18.92%	176.35
	TOTAL	100%	7031.60	100%	495.56	100%	436.30	100%	931.86

42. Unless otherwise stated, figures in brackets relate to the previous year. All the numbers have been rounded off to nearest crore.

In terms of our report attached

For and on behalf of the Board

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

N Chandrasekaran
Chairman
(DIN 00121863)

V Leeladhar
Director
(DIN 02630276)

S. Santhanakrishnan
Director
(DIN 00032049)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)

Ajoy Misra
Managing Director
(DIN 00050557)

L KrishnaKumar
Executive Director
(DIN 00423616)

Harish Bhat
Director
(DIN 00478198)

John Jacob
Chief Financial Officer

V Madan
Company Secretary

Mumbai, May 11, 2018

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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. 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. 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. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores
1	Tata Global Beverages Group Ltd.	03.09.1999	GBP	92.18	2,166.83	7.29	7,286.60	5,112.48	7,133.98	-	84.99	11.39	96.38	-	89.10	85.27												
2	Tata Global Beverages Holdings Ltd.	10.03.2000	GBP	92.18	0.00	1,608.76	1,746.87	138.11	1,643.44	-	-	-	-	100.00	85.27													
3	Tata Global Beverages Services Ltd.	10.03.2000	GBP	92.18	0.00	3,186.18	4,268.44	1,082.26	-	190.48	(1.21)	12.03	-	100.00	85.27													
4	Tata Global Beverages GB Ltd.	10.03.2000	GBP	92.18	0.00	1,865.11	2,224.49	359.38	9.22	1,194.58	1.12	39.24	-	100.00	85.27													
5	Tata Global Beverages Overseas Holdings Ltd.	10.03.2000	GBP	92.18	0.00	(411.11)	471.37	882.48	349.83	-	(17.74)	2.01	(15.73)	-	100.00	85.27												
6	Tata Global Beverages Overseas Ltd.	10.03.2000	GBP	92.18	0.00	(17.95)	60.22	78.17	-	(1.07)	-	(1.07)	-	100.00	85.27													
7	Lyons Tetley Limited (Dormant)	10.03.2000	GBP	92.18	0.18	-	0.18	-	-	-	-	-	-	100.00	85.27													
8	Drassington Ltd. (Dormant)	31.10.2003	GBP	92.18	18.03	(18.03)	-	-	-	-	-	-	-	100.00	85.27													
9	Teapigs Ltd.	15.04.2005	GBP	92.18	9.22	48.95	115.14	56.97	-	93.52	10.49	8.60	-	100.00	85.27													
10	Teapigs US LLC	27.08.2013	USD	65.17	-	(4.88)	2.61	7.49	-	11.39	(2.15)	(0.01)	(2.16)	-	100.00	64.45												
11	Stansand Ltd. (Dormant)	10.03.2000	GBP	92.18	0.05	-	0.05	-	-	-	-	-	-	100.00	85.27													
12	Stansand Brokers Ltd. (Dormant)	10.03.2000	GBP	92.18	0.29	-	0.29	-	-	-	-	-	-	100.00	85.27													
13	Stansand (Africa) Ltd.	10.03.2000	KE\$	0.65	0.03	11.03	19.49	8.43	-	126.60	3.65	2.48	-	100.00	0.63													
14	Stansand (Central Africa) Ltd.	10.03.2000	MWK	0.09	0.00	1.22	4.10	2.88	-	36.11	1.40	0.97	-	100.00	0.09													
15	Tata Global Beverages Polska.sp.zo.o	10.03.2000	PLN	19.21	141.88	(134.52)	26.74	19.38	-	56.59	1.58	3.11	-	100.00	17.80													
16	Tata Global Beverages Czech Republic a.s	02.05.2006	CZK	3.17	0.63	8.46	27.89	18.80	-	50.85	(4.17)	(4.17)	-	100.00	2.89													
17	Tata Global Beverages US Holdings Inc.	10.03.2000	USD	65.17	436.63	(46.45)	594.06	203.88	588.26	-	(3.27)	(3.27)	-	100.00	64.45													
18	Tetley USA Inc.	10.03.2000	USD	65.17	889.53	(584.88)	329.27	24.62	18.42	115.44	9.31	9.25	-	100.00	64.45													
19	Empirical Group LLC	01.10.2016	USD	65.17	-	29.60	75.85	46.25	-	253.76	43.15	43.15	-	56.00	64.45													
20	Tata Water LLC	18.08.2016	USD	65.17	-	(0.50)	5.02	5.52	-	1.10	(0.49)	(0.49)	-	100.00	64.45													
21	Good Earth Corporation	13.10.2005	USD	65.17	-	(6.71)	0.15	6.86	-	-	(0.32)	(0.32)	-	100.00	64.45													
22	Good Earth Teas Inc.	13.10.2005	USD	65.17	117.88	(143.53)	31.72	57.37	14.75	36.88	(17.79)	(17.79)	-	100.00	64.45													
23	Tata Global Beverages Canada Inc.	10.03.2000	CAD	50.61	7.59	28.25	118.60	82.76	-	281.69	8.23	6.04	-	100.00	50.17													
24	Tata Global Beverages Australia Pty Ltd.	10.03.2000	AUD	50.03	59.04	(38.56)	59.62	39.14	-	116.19	2.95	2.07	-	100.00	49.89													

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 (continued)

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 in Crores	Reserves and Surplus in Crores	Total Assets in Crores	Total Liabilities in Crores	Investments in Crores	Turnover in Crores	Profit before Taxation in Crores	Provision for Taxation in Crores	Profit after Taxation in Crores	Proposed Dividend in Crores	% of Shareholding (Refer Note 2)	Average yearly rates for P&L items translation
25	Earth Rules Pty Ltd.	30.04.2015	AUD	50.03	74.24	(121.14)	37.39	84.29	-	65.72	(7.16)	-	(7.16)	-	100.00	49.89
26	Tata Global Beverages Investment Ltd.	12.09.2006	GBP	92.18	-	3,368.78	3,419.77	50.99	-	-	11.32	(23.13)	(11.81)	-	100.00	85.27
27	Campestres Holdings Ltd.	03.02.2009	USD	65.17	0.02	(0.84)	0.06	0.88	-	-	(8.58)	-	(8.58)	-	100.00	64.45
28	Kahutara Holdings Ltd.	25.03.2009	USD	65.17	0.13	(132.75)	70.49	203.11	-	-	2.43	-	2.43	-	65.00	64.45
29	Suntycos Holdings Ltd.	01.09.2009	USD	65.17	0.45	(48.61)	21.58	69.74	7.09	-	(55.31)	-	(55.31)	-	100.00	64.45
30	Onomento Co Ltd.	01.09.2009	USD	65.17	0.05	9.59	10.12	0.48	-	2.87	2.45	-	2.45	-	100.00	64.45
31	Coffee Trade LLC (Refer Note 1)	18.09.2017	RUR	1.11	-	(0.44)	15.70	16.14	-	14.55	(0.45)	-	(0.45)	-	100.00	1.11
32	Tata Global Beverages Capital Ltd.	12.09.2006	GBP	92.18	825.96	2.31	1,496.33	668.06	1,492.06	-	12.25	4.08	16.33	-	100.00	85.27
33	Tata Coffee Ltd.	21.11.1990	INR	1.00	18.68	901.49	1,198.07	277.90	221.90	705.43	80.80	(18.04)	62.76	28.02	57.48	1.00
34	Tata Coffee Vietnam Company Ltd (Refer Note 4)	28.03.2017	USD	65.17	39.10	(2.85)	291.21	254.96	-	-	(2.83)	-	(2.83)	-	100.00	64.45
35	Consolidated Coffee Inc.	10.07.2006	USD	65.17	390.34	(27.86)	393.46	30.98	390.34	-	91.27	0.73	92.00	-	100.00	64.45
36	Eight O'Clock Holdings Inc.	31.07.2006	USD	65.17	390.34	(0.46)	390.61	0.73	390.34	-	93.45	-	93.45	-	100.00	64.45
37	Eight O'Clock Coffee Company	31.07.2006	USD	65.17	390.34	197.45	1,560.73	972.94	-	860.43	128.00	48.91	176.91	-	100.00	64.45
38	Tata Tea Extractions Inc.	06.12.1991	USD	65.17	91.23	231.01	357.42	35.18	283.96	98.42	23.77	(6.30)	17.47	-	100.00	64.45
39	Tata Tea Holdings Private Ltd.	19.03.2009	INR	1.00	0.05	(0.06)	0.01	0.02	-	-	(0.01)	-	(0.01)	-	100.00	1.00

Note:

- 1 Statutory year ends for all subsidiaries are 31.03.2018 except for Coffee Trade LLC which is at 31.12.2017.
- 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 Tata Coffee Vietnam Company Ltd is yet to commence operations.
- 5 Suntty LLC, Teatrade LLC and Zhejiang Tata Tea Extraction Company Ltd have been disposed off during the year, hence not included in the list above.
- 6 The numbers reported above are based on individual financial statements prepared under local GAAP.

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 "B" : Associates and Joint Ventures

Sl. No.	Name of Associates/ Joint Ventures	Amalgamated Plantation Pvt. Ltd.	Kanan Devan Hill Plantations Co. Pvt. Ltd.	TRIL Constructions Ltd.	Estate Management Services Pvt. Ltd. [§]	Tetley Clover (Pvt.) Ltd.	Tetley ACI (Bangladesh) Ltd.	Joekels Tea Packers (Proprietary) Ltd.	Southern Tea, LLC	NourishCo Beverages Ltd.	Tata Starbucks Pvt. Ltd.
1	Latest audited Balance Sheet Date	Associate 31.03.2018	Associate 31.03.2018	Associate 31.03.2018	Associate NA [§]	Joint Venture 30.06.2017	Joint Venture 30.06.2017	Joint Venture 31.03.2018	Joint Venture 31.12.2017	Joint Venture 31.03.2018	Joint Venture 31.03.2018
2	Date of acquisition/ incorporation	17.04.2009	06.07.2005	20.07.2013	29.01.1996	25.07.2003	17.11.2002	04.10.2006	19.09.2002	14.03.2011	03.01.2012
3	Shares of Associate /Joint Ventures held by the company on the year-end										
	Equity Shares										
i)	Number	61024400	3976563	11748148	-	43750000	2500000	62	Membership Interest - 50%	106500000	200000000
ii)	Amount of Investment in Associates/Joint Venture (Rs. in Crores)	61.02	12.33	11.75	-	27.42	18.94	23.74	32.51	106.50	200.00
iii)	Extent of Holdings	41.03%	28.52%	32.50%	-	50%	50%	51.70%	50%	50%	50%
	Preference Shares										
i)	Number	67000000	-	66751852	-	3000000	-	-	-	-	-
ii)	Amount of Investment in Associates/Joint Venture (Rs. in Crores)	55.05	-	66.75	-	2.30	-	-	-	-	-
4	Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Joint Venture Agreement	Joint Venture Agreement	Joint Venture Agreement	Joint Venture Agreement	Joint Venture Agreement	Joint Venture Agreement
5	Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. in Crores)	79.88	24.21	51.78	-	(0.06)	(2.73)	11.21	44.32	10.03	91.15
7	Profit / (Loss) for the year*										
i)	Considered in Consolidated** (Rs. in Crores)	(11.66)	0.14	(0.13)	13.65	(0.03)	(1.74)	2.26	0.70	0.83	(15.23)
ii)	Not Considered in Consolidated (Rs. in Crores)	-	-	-	-	-	-	-	-	-	-

Associate Companies and Joint Ventures have been determined based on the Accounting Standards.

§ Estate Management Services Pvt. Ltd. has been disposed off during the year.

* Profit/(Loss) based on individual Financial Statements drawn up as at 31.03.2018, for consolidation purposes.

** Represents Group's share of profit/(loss).

@ redeemable preference shares, measured as per Ind AS.

For and on behalf of the Board

N. Chandrasekaran
Chairman
(DIN 00121863)

V. Leeladhar
Director
(DIN 02630276)

S. Santhanakrishnan
Director
(DIN 00032049)

Ajoy Misra
Managing Director
(DIN 00050557)

L. KrishnaKumar
Executive Director
(DIN 00423616)

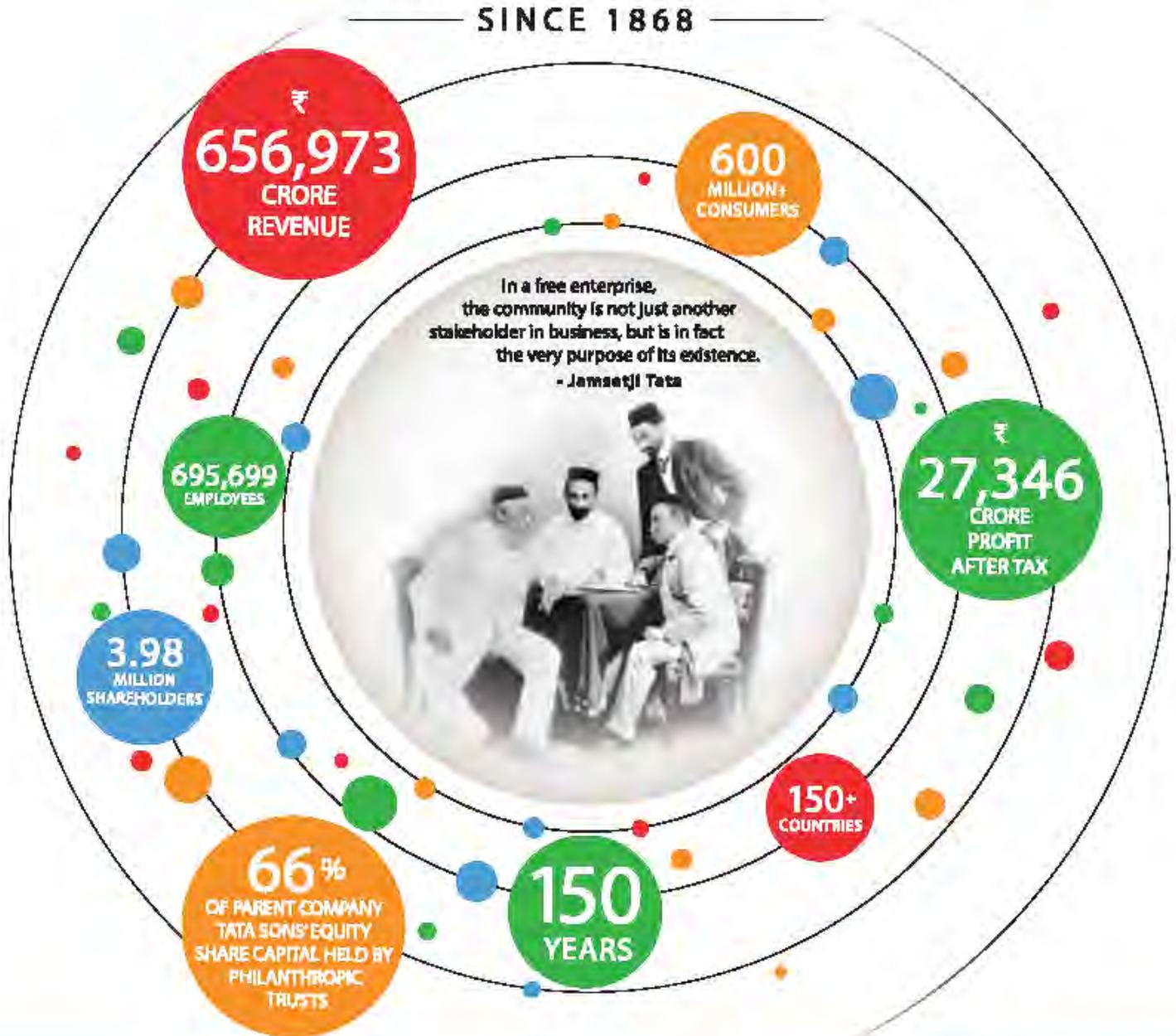
Harish Bhat
Director
(DIN 00478198)

John Jacob
Chief Financial Officer
Mumbai, May 11, 2018

V. Madan
Company Secretary

LEADERSHIP WITH TRUST

SINCE 1868



The figures are aggregated for Tata companies for the financial year ended 31.03.2017.

From pioneering businesses, to pioneering welfare practices,
to pioneering national institutions,
the Tata Group remains committed to improving the lives of communities
we serve globally, based on leadership with trust.

Picture (left to right): The four partners - Jamssetji Tata, Founder of the Tata Group; R. D. Tata, father of J. R. D. Tata; Sir Ratan Tata, younger son of the Founder; and Sir Dorabji Tata, elder son of the Founder.



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TATA GLOBAL BEVERAGES



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