



June 5, 2020

- | | |
|---|--|
| <p>1. The Dy. General Manager
Corporate Relationship Dept.
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001
Scrip Code No: 532301</p> | <p>2. The Secretary
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No. C/1, G. Block
Bandra-Kurla Complex, Bandra (E)
MUMBAI – 400 051
Scrip symbol: TATACOFFEE</p> |
|---|--|

Dear Sir(s),

Sub: 77th Annual General Meeting - Annual Report 2019-20

Further to our letter dated May 25, 2020, we would like to inform you that the 77th Annual General Meeting (“AGM”) of the Company will be held on Monday, June 29, 2020 at 11.00 A.M. (IST) through (“VC”) / Other Audio-Visual Means (“OAVM”).

The Board of Directors have recommended a dividend of ₹1.50 per equity share of ₹1 each for approval by the shareholders at the AGM.

We would like to inform you that the dividend, as recommended by the Board, if declared at the AGM, will be paid on or after July 2, 2020, as under:

- (i) to all beneficial owners in respect of Shares held in electronic form as per details furnished by the Depositories for this purpose as of the beginning of the business hours on June 16, 2020.
- (ii) to all Members in respect of Shares held in physical form, after giving effect to valid share transfers lodged with the Company on or before June 16, 2020.

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2019-20, which is being sent in electronic mode to the Members.

TATA COFFEE LIMITED

57 Railway Parallel Road, Kumara Park West Bengaluru 560 020
Tel: 91 80 23560695 - 97 23561976 - 81 Fax: 91 80 23341843
Registered Office: Pollibetta 571 215 South Kodagu Karnataka India
Corporate Identity Number (CIN) -L01131KA1943PLC000833
Website address - www.tatacoffee.com





The Annual Report containing the Notice of AGM is also uploaded on the Company's website <https://tatacoffee.com/sites/default/files/collaterals/Annual-Report-2019-20.pdf>

Thanking you,

For Tata Coffee Limited

Anantha Murthy N
Head – Legal & Company Secretary



Encl.: Notice of 77th Annual General Meeting

C.C.

1. National Securities Depository Ltd.
2. Central Depository Services (India) Ltd.
3. TSR Darashaw Consultants Pvt. Ltd. – Registrar & Share Transfer Agent

TATA COFFEE LIMITED

57 Railway Parallel Road, Kumara Park West Bengaluru 560 020
Tel: 91 80 23560695 - 97 23561976 - 81 Fax: 91 80 23341843
Registered Office: Pollibetta 571 215 South Kodagu Karnataka India
Corporate Identity Number (CIN) -L01131KA1943PLC000833
Website address - www.tatacoffee.com



Into the world
of
PEPPER

A culture of sustainable intercropping

About us

Tata Coffee is one of the world's largest integrated coffee cultivation and processing companies, with a legacy that dates back to 1922. We are home to some of the finest Indian-origin green coffee beans, instant coffee and tea. We are also the largest corporate producer of Indian-origin pepper, intercropped with coffee in our estates. The Tata group's mission 'To improve the quality of life of the communities we serve globally, through long-term stakeholder value creation based on Leadership with Trust' is deeply embedded in our business aspirations and overarching strategy.

Contents

Strategic Report

02	Pepper Story
10	Corporate Identity
14	Letter to the Shareholders
16	Business Overview
20	Key Performance Indicators
22	Farm Innovation
24	Product & Process Innovation
26	Safety
28	Corporate Social Responsibility
30	People
31	Awards & Accolades
32	Board of Directors
35	Corporate Information

Statutory Reports

36	Key Highlights
37	Notice
50	Board's Report
79	Report on Corporate Governance
104	Management Discussion & Analysis Report
110	Business Responsibility Report

Financial Statements

STANDALONE

125	Independent Auditor's Report
134	Balance Sheet
135	Statement of Profit & Loss
136	Statement of Changes in Equity
137	Cash Flow Statement
139	Notes on Accounts

CONSOLIDATED

176	Independent Auditor's Report
184	Balance Sheet
185	Statement of Profit & Loss
186	Statement of Changes in Equity
187	Cash Flow Statement
189	Notes on Accounts

FY 2019-20 key highlights

₹ **719 Cr**

REVENUE
FROM OPERATIONS

₹ **85 Cr**

PROFIT
BEFORE TAX

₹ **3.92**

EARNINGS
PER SHARE

Into the world of pepper

Interestingly, while our story begins with the romance of coffee where every sip holds nearly 100 years of heritage, it is not limited to only coffee.

Our plantations are known for some of the finest coffee, tea and pepper produce in the world. This is the outcome of our devotion to grow excellence in our estates through a range of sustainable practices.

Pepper is as integral to our integrated ecosystem as coffee and tea and the opportunities that we see and explore on the horizon are immense.

Sheltered within the thick native forests of southern India, our lush estates harbour best-in-class pepper produces.

We hope that you will enjoy reading the report, as much as we did making it.



Yesterday



Today



Tomorrow

We now deep dive into the captivating world of pepper and how we have evolved a robust operating model and a responsible business around the proverbial king of spice.

— YESTERDAY —

Spice that enamoured the world

The tale of one of the world's most loved spice can be traced back to the southwestern coast of India, where hot and pungent peppercorns are born among flowering vines.

Envoy from the East

Black pepper plays an integral (and fascinating) role in our history. Wars were fought, favours were sought and offered, and treaties fostered or broken for the love of this spice. Native to the rich rainforests of the Malabar coast, pepper is recognised as the 'king of spices'. It was the sparseness in its availability that conferred upon pepper an element of exoticism and mystery; and led to its worldwide renown and rich legacy.

MESMERISING ARABIA

Archaeologists trace the meandering history of pepper back to Kerala, where nomadic Arabs and ancient Phoenicians are said to be among the first to arrive

for the spice trade. By 600 BC, the Arabs were in control of the lucrative trade, transporting pepper from India through the Persian Gulf to Arabia.

ENTRY OF GREEKS, EGYPTIANS AND ROMANS

The sea traders from Greek-ruled Egypt were careful to avoid the Arab-controlled shoreline of India, until a Greek navigator sailed with the monsoon winds and reached Southwest India. This revolutionised sea journeys and marked the entry of the Egyptians and later Romans into the spice trade, providing them direct access to the Malabar coast.

With the rise in Rome's imperial power, Alexandria became a commercial hub

by 40 AD and dethroned Arabia as the citadel for spices. The consumption of pepper multiplied during the days of the Roman Empire, even becoming a symbol of wealth and affluence.

Enchanting the West

Since the fall of the Roman Empire, Arab merchants managed the pepper trade for a long time, fiercely protecting the spice's source with fantastical stories about the hardships endured in procuring the spice. By the 15th Century, the middle leg of the trade routes was under the Muslims, but seafarers in Italian city-states like Venice and Genoa were reigning supreme over the shipping lines between the Mediterranean and the tables of Europe.

“

The meandering history of pepper takes us around the globe. To nomadic Arabs and ancient Phoenicians. To sea traders from Greek and Rome. To sailors from Italian city-states. And to colonial rulers of the West.



Portuguese ships setting sail eastward



A twist in the tale

The cost of shipping pepper along the most traversed route, the Silk Road, stretching for over 4,000 miles, was exorbitant. But the extent of regality bestowed upon the spice meant that the Italian traders could quote arbitrary prices and exact enormous profits from consumers. The fact that the spice was an established medium of exchange in medieval Europe, by virtue of its long shelf life, was an added advantage for these traders.

Every effort was made to seek unexplored routes that would break the hegemony of Italian traders. Towards the end of the 15th Century, Portugal and Spain built large and sturdy ships and sailed eastward.

“
Pepper was an established medium of exchange in medieval Europe, by virtue of its long shelf life.
 ”

DAWN OF THE COLONIAL ERA

In 1498, Portuguese explorer Vasco da Gama travelled round Africa's Cape of Good Hope and reached the shores of Kerala. His successful voyage led Portugal to take over the spice trade for nearly a century and set in motion Europe's colonial domination of India.

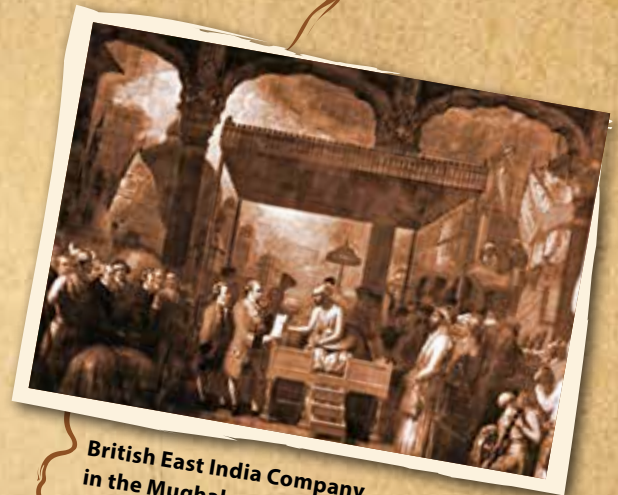
Portuguese monopoly was broken by the Dutch and subsequently,

the overarching control went to the British East India Company that established pepper plantations in India around 1635. By the middle of the 19th Century, the price of pepper dropped dramatically with its abundant availability. The spice, however, remains every chef's favourite till date.

“
It is hard to guess from the look of a pepper shaker, sitting unassumingly on present-day dining tables, the monumental influence it wielded on globalisation as we know it.
 ”



Vasco da Gama arrives on Indian shores



British East India Company in the Mughal court

— TODAY —

Every chef's preferred condiment

*The story of pepper now is no less riveting.
What starts life as berries on a flowering vine grows
to become a piquant spice, occupying a place of
pride in every chef's arsenal today.*

Tropics that nourish

The Malabar coast of Kerala is in the humid equatorial tropics, where the annual monsoon rains nourish the fertile soil, feed the extensive network of backwater canals and support the region's rich biodiversity. Hemmed in by the Arabian Sea to the West and the mountain range of the Western Ghats in the East, the climate is ideal for pepper cultivation.

*The crop grows amidst
homesteads, midlands
and hills. This includes
the states of Kerala,
Karnataka, Tamil
Nadu and to a certain
extent, Andaman and
Nicobar Islands, Goa,
Puducherry and the
Northeast.*





Flavours of pepper

Pepper vines grow on trees that have a height of up to 10 metres. The vines establish easily wherever the nodal shoots hit the ground; bear fruit from the fourth or fifth year; and continue for several years thereafter. The green, wide-leaved vines grow long tendrils where cylindrical clusters of the berries ripen. The fruits, or peppercorns, are small with a thin skin, a single large seed and very little actual fruit. The heat or pungency in pepper comes from the active ingredient piperine found in the corn.

Incidentally, both black and white peppercorns are the same except for the differences in processing methodology or treatment.

Black peppercorns are those which are picked before they are fully ripe. Dried in the sun, they turn black, or a blackish brown. Green peppercorns are fully matured black peppercorns, which are

typically preserved through flash-freezing, curing or brining to retain their colour and flavour.

The peppercorns for white pepper are picked after maturity, at which point they have a reddish cast. They are soaked in running water, subjected to retting for a week and when the outer skin decomposes, it is peeled off to obtain the white inner seed. Pure white pepper is not as pungent or as aromatic as black pepper.

Dried and washed peppercorns are carefully packed for further processing and grading.

Pepper grading is based on size, colour and relative density; as it is important to secure higher returns for the produce in the international market. India has an elaborate system to grade pepper. Tellicherry and Malabar are two of the most celebrated trade varieties of black pepper in India.

RENOWNED PEPPER GRADES

- Tellicherry Garbled Special Extra Bold (TGSEB) (11.75 mm)
- Tellicherry Garbled Extra Bold (TGEB) (11.5 mm)
- Malabar Garbled (MG 1/10)



TODAY (CONTD.)

**Tata Coffee produces some
of India's finest pepper**

Amid lush green forests that are home to a rich diversity of flora and fauna, our estates produce some of the finest pepper in the country. Pepper cultivation at Tata Coffee can be traced back to the early 60s but harvesting commenced only in the 80s with an initial output of about 100 tonnes. Today, we are undisputedly one of the largest organised pepper producers in India.

We cultivate our pepper by utilising shade trees as natural standards for the pepper vines. Our pepper is superior in terms of quality as the agronomical practices are implemented after mapping the nutritional requirements of the pepper vines. Using the best-in-class technology and agricultural husbandry practices, we raise and transfer to the field only the best sapling from our nurseries. Our pepper nursery is Directorate of Arecanut and Spices Development (DASD) certified. We also refrain from using any pesticides in our pepper cultivation to deliver the safest product to our consumers. We limit our fungicide usage to a bare minimum; it is restricted only to the disease-affected vines.

Nearly 27 varieties of pepper are grown in the Tata Coffee estates, all of which are UTZ, Rainforest Alliance (RFA), SA8000 and GAP certified. These include two in-house varieties, namely Valparai Gold and Pallakere from the Valparai estate and the Anandapur estate, respectively; and Panniyur series from Panniyur research station (P1 to P9 varieties); hybrids varieties like Thevam, Sreekara and Shubhakara, among others released by Indian Institute of Spices Research; and traditional varieties like Karimunda, Kottanadan and so on.

From nursery to the field

Harvesting of pepper vines begins in the months of February and March. Every corn in the plantation is handpicked by skilled workers who are well trained in all safety conventions, ensuring that only the best quality corns are chosen for picking.



Nurturing pepper saplings



Cultivating pepper vines



Washing and drying peppercorns

Processing and grading

Dried and washed peppercorns are transported to our fully mechanised HACCP-certified unit located in Kushalnagar for further processing and grading. Tata Coffee is the producer of the best TGSEB, TGEB and MG1 grades of black pepper and A1, A2 and A3 grades of white pepper.



Processing peppercorns



Grading peppercorns

Traceability

With over 18 lakh pepper vines in various stages of maturity, spread across our estates in Karnataka, Kerala and Tamil Nadu, each vine is numbered and recorded. Through technology, we have enabled ourselves to trace and register pepper being produced from these vines and provide truly traceable pepper.

— TOMORROW —

King holds unrivalled glory

The world today consumes nearly as much black pepper as all other spices combined and the horizon is resplendent with opportunities.

Contemporary market scenario

The king of spices, pepper, today can be broadly segmented, based on the end use. While over half of the pepper consumed can be attributed to the industrial and food service sectors, the rest is used for domestic consumption, health and beauty segments.

The pepper market is directly influenced by the growing processed food industry. The rise in consumption of bakery and confectionary products, alongside ready-to-eat and dried food in the developed economies, is driving the market for the spice.

The global trend of infusing natural flavour enhancers into food is also significantly catalysing the expansion of the pepper market. Increasing demand from the Far East countries that are progressively using more pepper in cooking has contributed largely to a promising market. Additionally, pepper, being rich in antioxidant and antibacterial properties, has emerged as one of the key ingredients for the cosmetics industry.



“

I'm proud to be a part of Tata Coffee's wonderful journey to further consolidate its position as the single largest producer of quality black pepper in India. We take a strategic and structured approach to planting, nurturing and establishing pepper vines, thereby contributing significantly to the sustainability and profitability of the plantations business.

- M. B. Ganapathy
Head, Plantations

It is a challenging but phenomenal opportunity for me to be a part of the pepper vertical and lead it to fulfil its potential, ensuring it is a wholesome and power-packed growth driver of enduring value.

- Varun Ganapathy
Manager

Off domestic shores

The moniker of 'king of spices' is a reference to the significant volume and value that pepper adds to global trade routes.

It was India's economic liberalisation that paved the way for the pepper industry to grow rapidly. This emerged as a source of livelihood for many in the country, especially those from rural India.

Indian exporters, with their expertise in tackling problems pertaining to quality and volume within a short span, were quick to be recognised among international spice trade associations and were included in the process of strategic decision-making.

These representatives from the spice industry could thus wield their influence in evaluating quality standards, method of analysis and use of different techniques and chemicals for preservation. This, coupled with the flourishing growth of pepper, elevated the status of the domestic industry as one of the key law-making bodies on food hygiene and public health.

Reliable growth engine for Tata Coffee

We, at Tata Coffee, have been focused on maximising our pepper productivity through a cost-effective and responsible operating model.

Since our coffee is shade grown with more than 1.5 to 2 million trees (both native and exotic), we are making conscious efforts to plant pepper vines on every available interplanted tree.

We maintain a stringent inventory of our pepper vines by tracking through census

and recording the year of planting to nurture each vine from the beginning and ensure early establishment and good yield. Our pepper grading centre at Kushalnagar is one of its kind in the planting district of Coorg. It is also Export Inspection Agency (EIA) certified, implying that our graded pepper is of exportable quality and meets the global standards.

Tata Coffee's highly trained, young and enthusiastic pepper team has been carefully selected and is truly agile and focused on delivering best quality pepper at competitive prices.



I was inducted into the pepper vertical as a fresher and have since then grown through training programmes, site visits and workshops. The learning opportunities here are tremendous, both professionally and academically.

- T. N. Harish
Assistant Field Officer, Yemmigoondi estate

From the preparation of nurseries and their sales, to the planting of saplings and the harvesting of peppercorns, every process involves deep coordination and interaction of teams both within and outside the Company. It is very satisfying to be associated with a dynamic business such as pepper.

- B. C. Somaiah
Junior Officer, Woshully estate

— CORPORATE IDENTITY —

Delivering goodness, the natural way

The year 1922 marked the beginning of what was to become an illustrious journey of making some of the finest Indian origin coffee bean, instant coffee, pepper and tea.

Aligned to the Tata group's overarching philosophy of doing business in conjunction with community wellbeing, the modus operandi at Tata Coffee emphasises greatly on sustainability and traceability.

Mission

Create distinctive long-term value for all stakeholders with coffee and allied plantation products embracing sustainable practices.

Portfolio

- GREEN BEAN
- INSTANT COFFEE
- TEA
- PEPPER

Core Values

SAFETY

CUSTOMER FOCUS

RESPONSIBILITY

INNOVATION
AND AGILITY

PEOPLE-CENTRIC

TRANSPARENCY

~50%

WOMEN EMPLOYEES

18

COFFEE
ESTATES*

6

TEA
ESTATES*

1

COMBINED
COFFEE AND
TEA ESTATE*

95%

PREMIUM
QUALITY COFFEE



~8,000

HECTARES OF
COFFEE ESTATES
IN SOUTH INDIA

2

ROASTERIES,
OF WHICH
ONE IS DEDICATED
FOR STARBUCKS
PRODUCTION

42

COUNTRIES
WHERE OUR
COFFEE IS
EXPORTED

3

INSTANT COFFEE
PLANTS (2 IN INDIA
AND 1 FREEZE-
DRIED IN VIETNAM)

100%

WATER CAPACITY
FOR ROBUSTA
PLANTATION IRRIGATION



~2,400

HECTARES OF
TEA ESTATES IN
SOUTH INDIA

*All our estates are **RFA, UTZ, C.A.F.E. Practices and SA8000 certified** for adhering to sustainable cultivation practices and respecting people and all other stakeholders

CORPORATE IDENTITY (CONTD.)**Market reach**

Our global footprint bears testament to the outstanding quality we strive to offer to our customers.

**GREEN BEAN**

Our premium coffee is grown in the giant rolling hills of Coorg and Chikmagalur.

- Middle East
- Western Europe
- India
- USA
- Australia

INSTANT COFFEE

The soluble coffee that we produce in our plants through advanced technologies energises the connoisseur with every cupful.

- Middle East
- Western Europe
- India
- ASEAN
- West Africa
- Russia
- Asia Pacific



TEA

Our estates in Karnataka, Kerala and Tamil Nadu are responsible for growing some of the finest South Indian tea.

- China
- India

PEPPER

Pepper is intercropped with tea and coffee across our lush estates.

- India
- USA

— LETTER TO THE SHAREHOLDERS —

Aiming for continuous progress in a changing world



“
Backed by a diverse portfolio,
robust governance and
impactful innovation, we
are well equipped to prove
our mettle in addressing all
opportunities and challenges
ahead, with great passion
and do what is right for our
various stakeholders.”

Dear Shareholders,

The year 2019-20 brought us unprecedented learnings with the novel coronavirus outbreak, compelling the corporate community to rethink strategies to try and overcome the deep impact the pandemic has had on various businesses. What panned out for the most part, as a year of robust growth with important initiatives, yielding positive results, closed on a rather sombre note, the long-term effects of which are still to be quantified. Even as this Annual Report gets published, the COVID-19 situation continues to be fluid and challenging. Amidst this environment, I want to assure you that the Company's unwavering focus has been to keep its employees and the communities that we operate in, safe and healthy. The Company also has

significant assets in all its plantations and factories, and we have taken all actions possible, to safeguard the health of these.

While relying on the ethos of the Tata group to guide us through the challenges presented by this crisis, we continue to tread forward with cautious optimism. The response from the Company and our employees has been exemplary and I am deeply honoured and privileged to lead such an institution of excellence. We are making every effort to combat this unprecedented pandemic and hope to ensure that the Company emerges in the best possible shape, to address the opportunities of the future.

The theme of this year's Report is apt because as industry leaders in both black and white pepper, we are equipped to deliver some of the best pepper produce in the world. Pepper finds a home in our sprawling estates, grown first as young saplings in our nurseries, intercropped as vines grown under the shade among coffee and tea bushes, handpicked as peppercorns, processed in our export-certified grading centre and supplied to our customers as traceable pepper. In fact, pepper is likely to contribute increasingly to the Company's fortunes in the years ahead, even as a significant number of new vines come into bearing, and you will therefore be particularly interested in the story of this crop, presented in the pages of this Report.

Dwelling on other notable achievements from the year, our freeze-dried coffee plant in Vietnam has stabilised well and is now operating at near-optimum capacity, in terms of both production and sales. This Tata Coffee jewel will be instrumental in strengthening our global footprint and sustainability of the Company in the long run. The instant coffee plants in India have also operated at near peak capacity through this year.

With a keen understanding of the consumer landscape, our focus for the green coffee vertical remains on premiumisation and disintermediation. We are happy that we have recently

entered the e-commerce universe with our own online platform—The Sonnets™—where we debuted with our luxury single-origin coffees, which emphasise the Company's expertise in producing exquisite coffees of the highest quality. As a testimony to this, we were recognised for the Best Indian Coffee for the season of 2018-19 by the prestigious international platform, Ernesto Illy awards.

In our estates, sustainable farming techniques ensure the highest level of eco-efficiency, in turn, enabling us to address environmental, social and economic challenges. We are deploying

several new practices using technology across our farmlands to strengthen disease control measures, to step up our response to extreme weather events and to digitise our operations. We have pilot projects in place on various diversified crops to evaluate and recommend alternate crops to counter vagaries of volumes and prices of our coffee, pepper and tea portfolio.

Safety continues to assume the highest priority for us at Tata Coffee and with the objective of building an even stronger safety culture, we embarked on a safety excellence journey during the year. It is also one of the six pillars of our Core Values and solidifies our commitment to 'Zero Harm', enabling us to provide a hazard-free workplace to every employee and associate.

Our Annual Report for 2019-20 is a reflection on the evolving world and the extent of our organisational adaptability. It is also an articulation of our commitment as an integrated plantation company to ensure the finest quality produce and the highest standards of social and ecological responsibility.

We are proud to be part of a group with such a rich heritage and legacy and are determined to live by the core Tata principles, as we navigate these difficult times. Backed by a diverse portfolio, robust governance and impactful innovation, we are well equipped to prove our mettle in addressing all opportunities and challenges ahead, with great passion and do what is right for our various stakeholders.

We thank you for your support and confidence and invite you to be part of our vision in our continuing journey, to become the largest coffee plantation and allied crops produce company in the world.

“
This Report is an articulation of our commitment as an integrated plantation company to ensure the finest quality produce and the highest standards of social and ecological responsibility.
 ”



CHACKO PURACKAL THOMAS

Managing Director & CEO

— BUSINESS OVERVIEW —

Cultivating a sustainable intercropping culture

Our major products include green bean, instant coffee, tea and pepper, with vertical integration into Eight O' Clock Coffee and Tata Coffee Vietnam. Our products are sought after by global roasters, instant coffee players and tea and pepper markets. With consistent focus on eco-friendly cultivation practices and traceability, these products have emerged as the preferred choice of leading industry stalwarts.

Green bean

Powered by years of distilled knowledge about tea and coffee, our 19 estates span lush green forest lands and misty hills and grow some of the world's finest Indian origin coffee. Our estates are RFA, SA8000 and UTZ certified. Our Robusta and Arabica coffee in washed, monsooned and natural offerings are shade grown in green ecosystems teeming with biodiversity.

Our operations span the entire value chain — from intercropping the coffee with pepper and other fruits, to carefully processing them by handpicking and sun drying. We take pride in our advanced cultivation practices that include state-of-the-art pulping facilities using Penagos and Pinhalese technology.

OUR SPECIALTY COFFEE OFFERINGS

- **Micro-Lots**
- **Washed Arabica**
- **Washed Robusta**
- **Monsooned**
- **Organic and certified**

QUICK FACTS

~8,000 MT

OF SHADE GROWN
ARABICA AND ROBUSTA

~8,000

HECTARES OF COFFEE
ESTATES IN SOUTH INDIA

90%

OF OUR WASHED
ARABICA IS EXPORTED
AS PREMIUM GREEN
BEAN TO ROASTERS

13

ARABICA ESTATES ARE
STARBUCKS C.A.F.E.
PRACTICES CERTIFIED

Instant coffee

Our instant coffee business stands out for using coffee beans from multiple origins and produces customised blends, which are suited to the diverse tastes of customers across the world. Most operations in our three instant coffee plants, in Toopran and Theni (in South India) and one in Vietnam, are powered by renewable energy.

Our focus is on implementing best practices and eco-friendly technologies across all operational aspects. We deliver different packaging units based on customer requirements in bulk packaging, such as glass, paper, kraft and tin SKU. We export to over 40 countries, from the Americas to the Oceania region and rank among the top six freeze-dried coffee producers globally.

OUR OFFERINGS

- **Freeze-dried**
- **Spray-dried**
- **Agglomerated**
- **Coffee mixes**

TATA STARBUCKS ROASTERY

We are proud of our partnership with Tata Starbucks and are keen on strengthening the same. Tata Coffee currently supplies beans to more than 140 Tata Starbucks outlets in India. The unit continues to cater exclusively to the sourcing and roasting requirements of Tata Starbucks stores in India.

As part of our expansion plan, we have invested in a state-of-the-art profile roaster that can steadily churn out quality roasted bean to augment capacity at the roastery in Kushalnagar, Karnataka. We are installing an automated packing line to bring in enhanced efficiency in our processes. This initiative is helping us cater to the growing demand across the Tata Starbucks stores. With these sophisticated process lines, we are fully geared up to produce consistently high-quality premium blends and further build trust in our capabilities, expertise and commitment to the customer.

QUICK FACTS

8,400 MTPA

TOTAL CAPACITY IN INDIA

5,000 MTPA

CAPACITY IN VIETNAM

1,000 kWp

ON-SITE SOLAR CAPACITY
AVAILABLE FOR OUR INSTANT
COFFEE PLANT OPERATIONS
(PART OF OUR RENEWABLE
ENERGY REQUIREMENTS)



EIGHT O' CLOCK COFFEE

Eight O' Clock, America's Original Gourmet Coffee, with a legacy of 160 years, brings to consumers high-quality 100% Arabica coffee at great value. It is the fifth largest coffee brand in USA, in terms of volume, and has the highest loyalty and repeat rates among bagged coffee competitors. Eight O' Clock Coffee joined the Tata Coffee family in 2006, and since then has enjoyed significant brand revival. Eight O' Clock Coffee is headquartered in Montvale, New Jersey, and roasted and packaged in Landover, Maryland.

BUSINESS OVERVIEW (CONTD.)

Tea

Our estates span serene hills of Anamallais in Kerala and Tamil Nadu; and Coorg and Chikmagalur in Karnataka, producing some of the richest quality South Indian tea. Our tea operations span six estates and each tea leaf is harvested and handpicked carefully so that only the best would make it to the markets. Our tea estates are certified under RFA, Ethical Tea Partnership and SA8000. Switching to briquettes, a greener fuel alternative, is helping save ~4,800 trees every year, across our tea estates.

OUR OFFERINGS

- CTC
- Orthodox
- Green
- Silver tips
- Green speckles

Pepper

Across our tea and coffee estates some of the finest pepper is intercropped, helping us emerge as the world's largest corporate producer of Indian origin pepper. Our pepper is cultivated using native shade trees as natural standards for pepper vines that usually grow up to 10 metres high. We use true-to-type mother plants and in-house manure with all procedures being scientifically monitored. All our pepper vines are numbered and recorded by species name and location such that each peppercorn is traceable to the tree that it originates from.

OUR OFFERINGS

- TGSEB, TGEb and MG1 (11.75, 11.5 and 10) grades of black pepper
- A1, A2 and A3 grades of white pepper

QUICK FACTS

~5MN KG

ANNUAL TEA PRODUCE

~2,400

HECTARES OF TEA ESTATES
IN SOUTH INDIA

95%

OF THE ENERGY
TO PRODUCE TEA
IS SOURCED FROM
BIOMASS BRIQUETTES

QUICK FACTS

~1,000MT 1.8MN

OF BLACK
AND WHITE PEPPER

TREES WITH PEPPER
IN OUR ESTATES

3

HIGHLY ADVANCED
NURSERIES TO
NURTURE HEALTHY
AND DISEASE-FREE
PEPPER VINES

3

DIVERSE GRADES
OF WHITE PEPPER



Tata Coffee Vietnam Company Limited

Set up in 2017 with an intent to tap into the fast-growing and profitable category of freeze-dried coffee, the advanced facility of Tata Coffee Vietnam marks our first overseas foray. We chose Vietnam as our first international production location because the country is the heartland of Robusta coffee.

The facility became operational in the first quarter of the reporting year. It offers advanced extraction and drying, representing the best the industry has to offer, in turn, translating into a differentiated cupping experience. The facility is also equipped with a one-of-its-kind, fully integrated pilot plant for sustainable product

development and co-creation of cup profiles with our discerning customers.

The plant focuses on environmental and health standards that are globally benchmarked, with an overarching culture that is focused on instilling safer practices across the operational canvas. It also benefits from the diverse perspectives and experiences of a multicultural team, further enhancing its competitive edge.

The site has been certified for Leadership in Energy and Environmental Design (LEED), British Retail Consortium (BRC), Halal, Kosher, UTZ and RFA to suit and support its customers' changing requirements.



“
We successfully stabilised the operations and continuously improved its capacity utilisation quarter on quarter. The pilot plant helped us to create customised blends, streamline the order book, demonstrate our customer centricity and build long-term relationships. Going forward, we will continue to create niche, unique and premium blends and drive operational excellence through setting high standards on human and food safety, as well as sustainability.

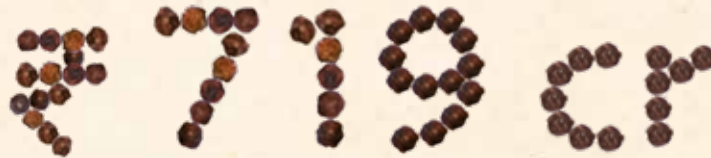
—
*Radhakrishnan T.
 Managing Director & General
 Director, Tata Coffee Vietnam
 Company Limited*

— KEY PERFORMANCE INDICATORS —

Fiscal 2020, a retrospect

Standalone

REVENUE FROM OPERATIONS (₹ in Crore)
FY20



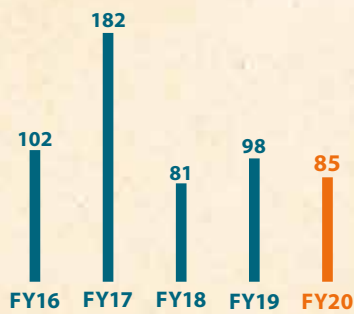
FY16
708

FY17
779

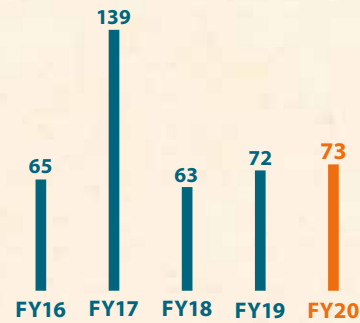
FY18
705

FY19
703

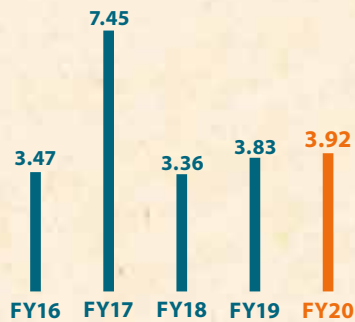
PROFIT BEFORE TAX (₹ in Crore)



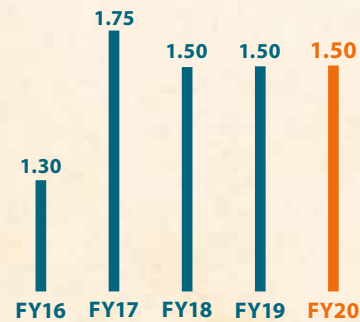
PROFIT AFTER TAX (₹ in Crore)



EARNINGS PER SHARE (₹)
On equity share of ₹ 1 each



DIVIDEND PER SHARE (₹)



Consolidated

CONSOLIDATED REVENUE FROM OPERATIONS

(₹ in Crore)
FY20



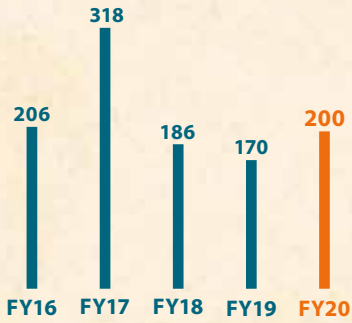
FY16
1,551

FY17
1,606

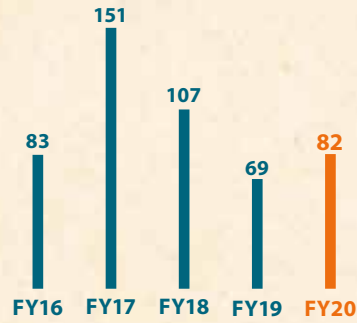
FY18
1,567

FY19
1,804

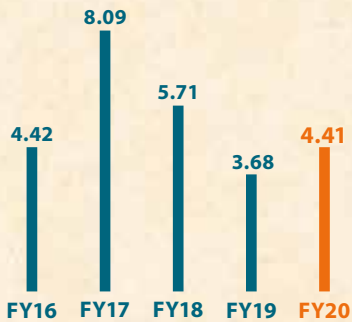
CONSOLIDATED PROFIT BEFORE TAX (₹ in Crore)



CONSOLIDATED PROFIT AFTER TAX ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (₹ in Crore)



CONSOLIDATED EARNINGS PER SHARE (₹)
On equity share of ₹ 1 each



— FARM INNOVATION —

Implementing contemporary farm management

We look at coffee, tea and pepper through the wide lens of sustainability and community wellbeing. Our approach is to evolve our entire operating ecosystem with the changing times, continue to modernise our processes for enhanced productivity gains and progressively reduce our environmental footprint.

Digitisation

In the preceding couple of years, the world witnessed multiple natural catastrophes like prolonged drought, incessant rainfall with storm and devastating floods, which are the distressing impacts of climate change. Technology has helped us find innovative ways to overcome uncertainty in weather patterns and adapt to threats posed by climate change.

Here we have listed four of our key digitisation projects from the year. Our R&D laboratory, which is certified by the National Accreditation Board for Testing and Calibration Laboratories (NABL), has been instrumental in executing our digital initiatives.

1. DIGITAL FARMING

Partnership with the Digital Farming Initiatives (DFI) group of Tata Consultancy Services (TCS)

SCOPE

- Develop a digital farm diary to track and maintain events that were earlier recorded in handwritten registers
- Create a convenient digital dashboard and repository of queries around disease/infestation to auto-generate solutions based on Artificial Intelligence (AI)

BENEFITS

- Streamline the process of disease and pest identification
- Reduce time for getting responses for pest- and disease-related queries

“

The TCS DFI group played a key role in substantially increasing the footprint of digital technologies in plantations, accurately assessing and responding to on-ground situations in real time. Tata Coffee deployed a DFI solution at three of its estates for its Arabica and Robusta crops. The field teams capture various incidents relating to pests, deficiencies and other concerns.

The database thus created is useful in understanding frequency of incidents and long-term trends. With digital forces making significant inroads using data-driven insights, AI and automation, the framework is generating wider impact in the coffee processes. While the future certainly looks bright, the journey so far has been quite enriching for everyone!

Dr. Srinivasu Pappula, Global Head, Digital Farming Initiatives, TCS

Dr. Sanat Sarangi, Scientist, TCS

Mr. Krishnaiah K., Business Development Manager, TCS

2. ELITE PLANT CENSUS

SCOPE

- Generate QR code for each elite plant and map the geo-location of plants with the QR code
- Capture images of elite plants
- Store collected data in the mobile application, in the absence of data connectivity, which can later be synced with the cloud
- Customise reports based on collected data

BENEFITS

- Digitise all Elite Plant Census activities
- Identify good quality plants that will help us in gauging and improving the productivity of the fields
- Help initiate clonal propagation

4. WEATHER DASHBOARD

Partnership with a leading weather forecasting company

SCOPE

- Improve prediction and monitoring of weather conditions in the oncoming critical harvest period
- Deploy a robust weather forecasting system across our estates

BENEFITS

- Better plan our operations and to some extent, mitigate the impact of unexpected weather events
- Programme and make changes in managing the batches to expose coffees to favourable weather
- Collaborate with customers and share the conditions with them to commonly understand biochemical changes in the bean

3. MONSOONING DIGITISATION

SCOPE

- Develop and deploy Internet of Things (IoT) sensors and reporting systems for continuously monitoring ambient conditions

BENEFITS

- Creates Business Information (BI) reports using the available data in SAP, since all sensors are batch-managed to give information on trigger points

Digital initiatives in pepper

- We have initiated app-based monitoring of pepper cultivation and are in the final stages of its implementation. This will help provide real-time data from every nursery and estate, centrally compiled, free of clerical errors and at a much faster rate
- We are in the process of digitising the census of pepper vines. This will help in accurate measurement of vine health, avoid duplication and double counting by geo-tagging and bar coding. This will further help to analyse the disease-pest-mortality patterns at specific areas by overlaying the data on the map and subsequently, implementing remedial measures

— PRODUCT & PROCESS INNOVATION —

Staying ahead with unique offerings

In an operating scenario that is constantly changing, based on market dynamics and evolving customer aspirations, our focus is always on enriching our suite of offerings through continuous innovation. We are vertically integrating our portfolio to stay relevant for the discerning and informed consumer of today.

The Sonnets – Voice of our estates™

To bring some of our estates' finest produce to coffee lovers, we launched our e-commerce platform, The Sonnets – Voice of our estates™. Through the website, we offer three unique varieties of luxury single origin specialty coffee. The Sonnets™ promise a once-in-a-lifetime sensory experience in a cup, available in different roast profiles (light roasted, medium roasted and medium-dark

roasted) and flavours (Gold Honey, Red Honey and Yellow Honey).

We source these directly from two of our most recognised estates—known for the quality of Arabica coffee they produce—Goorghully and Woshully. Each variant exclusively belongs to a single estate. The variants are handpicked, processed and evaluated with great care, making these special and truly limited edition coffees.

The website is designed to provide customers a seamless buying experience of these luxury coffees in a few easy and simple steps.



Scan the QR code to get your hands on The Sonnets™



Ginseng coffee mix

The herb Ginseng, when infused with coffee, makes for an energising beverage; and has been used for generations to help improve physical wellbeing and alertness. With a keen understanding of market trends and changing lifestyles, we developed a unique and eco-efficient blend of Ginseng coffee mix, a winning addition to our portfolio of innovations.

Crystal agglo

The quality circle at Tata Coffee innovated on the agglomeration process to deliver uniform sized agglomerated coffee, known as crystal agglo. This was commercialised based on the unique requirements of our customers.

Natural agglo

As an extension of our natural agglo range, this year, our product development team formulated a unique blend of glucose-enriched coffee mix, which delivers instant energy and possesses a unique taste.

Apart from the above, we also developed a large number of unique blends of sun-dried and freeze-dried coffee for various customers across the globe.



— SAFETY —

Round-the-year protection mechanism

Safety is a Core Value at Tata Coffee and we are committed to provide our employees with a safe and healthy working environment. With the ultimate vision of 'Zero Harm' at the workplace, we embarked on a safety excellence journey, focusing on building a strong safety culture. Various short- and long-term initiatives have been identified as part of this.

Understanding our SHE governance structure

Our Safety Health Environment (SHE) governance comprises the SHE Council at the Company level, which is chaired by the Managing Director with members being his direct reportees.

The Council was constituted to review our SHE practices and performance every month. The primary objectives of the Council are: to drive 'SHE excellence journey' with 'Zero Harm' vision, align the organisation with the strategy, provide direction towards building a safe work culture, provide strategic leadership and directions on SHE matters, review policies, processes and systems periodically and recommend measures for continuous improvement. Likewise, the reviews are cascaded on the same lines at the strategic business unit level, at the unit level and at the estate level, with ownership of respective leaders at different levels.

Actioning 'Zero Harm Pepper'

While we pride in the multiple certifications (RFA and SA8000) we have earned for producing pepper for years, our next goal is to become the first to produce it without anybody getting hurt. To that end, this year, we ran the Zero Harm Pepper (ZHP) awareness campaign with our pepper workforce, across our estates in Coorg, Hassan and Anamallais.

The campaign was kicked off at each location with a message from the Managing Director, followed by addresses from the cluster head, the estate manager and the safety team. ZHP was a comprehensive effort to educate workers through

demonstrations and handholding on the use of safety gear. Persons injured in the past too came forward to share their experiences and urge the workers to not compromise on safety. An experience videos of family members from past incidents were shared as part of the sensitisation programme.

Our Managing Director recorded a video message for the workers, to further bolster their morale and underline the importance of safety. Each participant was expected to take the safety pledge, following which, they are provided helmets and ZHP stickers.



Making plantations and factories safer

With an eye on minimising the risk of incidents while working at height in plantations, we have firmed up cross-functional teams to work on the Shade Lopping Risk Mitigation method. For our pepper workforce working at height, we have mature, operational procedure along lifeline fixtures. This is a pioneering move in

safety in plantations. We also have in place a 'permit to work' system across all locations to ensure controls.

To bring down 'lone working risk', we have configured wireless panic alarm in our freeze-dried plant at Theni. By demarcating pathways and zebra crossings, we are enabling safe

movement and easier identification of people and vehicles, and improving overall road traffic at Kushalnagar. We conduct focused training and certification of employees on lockout-tagout and working at height in factories.

18.8%

REDUCTION IN TOTAL RECORDABLE INJURIES

31%

INCREASE IN SAFETY TRAINING HOURS

14.1%

REDUCTION IN LOST TIME INJURIES



Minimising human-wildlife conflict

Over the years, Tata Coffee has been an active member of the Environment and Wildlife Committee of the Karnataka Planters' Association, participating in deliberations on how to best overcome conflicts with wildlife. We engage with external audit teams for risk analysis and further improvement. We are working to implement comprehensive

administrative controls through tighter mitigation measures in vulnerable areas, while also putting in place a higher level of emergency preparedness.

Here are a few of our initiatives to minimise human-animal conflicts:

- We equip our elephant tracking teams with walkie talkies, binoculars, jackets

and shoes. Trackers stand inside observatory towers constructed on treetops for better viewing. Further, 20 additional handsets were extended to three estates, this year.

- We operate more than 200 km of solar powered fences, with a total investment of ~ ₹5 Crore, to contain intrusion.

— CORPORATE SOCIAL RESPONSIBILITY —

Scaling up impact

At Tata Coffee, we believe that true accomplishment of an enterprise lies in its ability to create value not only for its shareholders, but also for the larger community. We are working to uplift the quality of life and enabling vulnerable sections of the society to adopt self-sustaining practices.

We maintain a deep and evolving bond with the communities where we live and work. Our initiatives span regions like Theni, Medak, Coorg, Hassan and Coimbatore, and cater to the three causes of health and wellness, inclusion of the differently abled and generation of livelihoods.

Rural India Health Project (RIHP)

The RIHP hospital in Ammathi village, Kodagu, Karnataka, is owned by a charitable trust and managed by Tata Coffee since 1993. We contribute to the development of its infrastructure and utilities and helped set up the practice of medical officers in the campus. The hospital has been treating Below Poverty Line (BPL) card holders and the indigenous community in southern Kodagu. The collective efforts of Tata Coffee and the hospital management has considerably improved occupancy and utilisation levels at the hospital. It has taken on board a team of experienced specialists, transforming its diagnostic and pathology facilities into state-of-the-art departments. The hospital is empanelled with the Arogya Karnataka scheme for universal health coverage.



“

CSR and sustainability at Tata Coffee is about doing #TheHeartThing. Each one of us lives up to #TataBanoConnectedRaho, as we have a historic relationship of over a century with the communities where we live. And we believe that the volunteering efforts of Tata Coffee enriches the souls of givers and brings some relief to those in need.

*Rajinie Singh
Senior Manager, CSR & SHE*

57

BEDS ADDED TO
THE RIHP HOSPITAL

18,000

AVERAGE
OUT-PATIENT VISITS
ATTENDED IN A YEAR

1,500+

AVERAGE OPERATIVE
PROCEDURES
PERFORMED IN A YEAR

Water management at plantations

It is imperative to not use groundwater for irrigation and during the processing of coffee and pepper. We have installed reservoirs in the catchment areas of the plantations that are desilted or extended to meet the irrigation requirements.

The present capacity at our 274 natural water storage ponds is 3.4 million cubic metres. These help impound run-off and excess rainwater and are capable of catering to our entire Robusta crop for its blossom and backing irrigation needs, as well as watering our pepper vines.

Extensive scientific rainwater harvesting has ensured that our irrigation is now 100% self-reliant.

Achieving water security through the 'lake-in-lake' model

In recent years, the coffee-growing regions of Karnataka, namely, Kodagu, Hassan and Chikmagalur have been experiencing low and erratic rainfall. Further, the groundwater levels in these districts have deteriorated, affecting many village households who depend on the water supply for domestic and agricultural needs.

Together with the NGO, Water Literacy Foundation, we initiated the natural restoration of the hydrological balance of ecosystems in these water-stressed villages. We implemented six projects by adopting our unique 'lake-in-lake' model, a holistic solution to utilise the run-off collected in the lakes and recharge the groundwater table.

ACHIEVEMENTS OF THE LAST 3 YEARS

1.92

MILLION CUBIC METRES/
ANNUM REPLENISHED BY
HARNESSING RUN-OFF

6

LAKES
REJUVENATED

18,297

LIVES HAVE CHANGED
POST THE SUPPLY OF
POTABLE WATER

Developmental Activities for Rehabilitative Education (DARE) school

We started the DARE school project in 1996, to support specially abled children in the Anamallais region with primary and vocational training. The project is managed by the wives of our employees and encompasses children with autism, mental health disorders, cerebral palsy, Down's syndrome, dwarfism, hearing and speaking disabilities and epilepsy. The curriculum is designed to help them carry out daily tasks with ease and become self-reliant.

Success stories include the marmalade produced by the children that was an immediate hit and was supplied to Indian Hotels.

Swastha Centre for Special Education & Rehabilitation

Formed by Tata Coffee in 1994, the Coorg Foundation established a centre for special education and rehabilitation, known as Swastha, in 2003 to educate, train and rehabilitate differently abled minors. Over the years, we have helped Swastha evolve into a flourishing institution for special children from the local communities of Coorg.

We are also striving to make Swastha completely self-sustainable, by marketing their products and generating in-house resources with help from group companies and other NGOs working for similar causes. All stationery used by Tata Coffee and some Tata group companies are made by the children of Swastha.



Arathy Somaiah
Director (Administration) – Swastha

— PEOPLE —

Great people do great work

At Tata Coffee, we have developed a deep understanding of what enables a work culture that operates on transparency, solidarity and equal rights. We invest in various initiatives that build trust among employees cutting across hierarchy and bureaucracy. We take our Human Resource policy development in earnest and promote consistency and continuous improvement through learning programmes.

Building a strong talent pipeline

We are investing in our top talent to mould them into future leaders and enable them to be more engaged, constructive and sincere at their jobs. We have entered an association with Development Dimensions International (DDI), a world leader in Talent Management to host Development Centres (DCs) for our employees, helping them gain reliable and relevant information about their personal strengths and weaknesses and to identify precise development activities (training, coaching and mentoring) that can help them move further along their professional journeys.

Nurturing leadership teams

As a first step to engage and align the top leadership on the defined Safety Excellence Journey, a two-day Workshop was conducted for 32 senior leaders of Tata Coffee, which involved deliberation on the path ahead and focused on expectations of senior leaders and Felt leadership. As an outcome of the workshop, each of the leaders identified two strategic focus areas for himself/herself to work on.

Valuing employee endeavours

As an organisation, we believe in building a culture of work that provides an enriching employee experience. We think of employee recognition as a powerful tool to help connect the employees with the larger mission and ethos of the Company. We empower our managers and employees to put in a token of appreciation and acknowledgement for their team and colleagues with a button's click through our portal, 'Blending Excellence'. Additionally, outstanding performances of employees, business units and functions are spoken of and celebrated at our Annual Excellence Night.



— AWARDS & ACCOLADES —

Recognition of our efforts



Product

Tata Coffee was conferred with the Best Indian Coffee award at the 4th Ernesto Illy International Coffee for the season of 2018-19. Illy Caffe is a global leader in sustainably grown coffee and receiving this award from them is a fitting testament to our prowess in sustainable plantations.



Operations

Our Theni facility also participated in the 'Safety and Health Awards' Assessment organised by the National Safety Council (NSC), Tamil Nadu chapter. We were shortlisted for the final round, after an initial questionnaire-based evaluation, where we were among the 20 elite companies who received the prestigious Star Award – a level above our last year's Appreciation Award at the same event.



Volunteering

We ranked among the Top 3 companies within the Tata group at the Tata Volunteering Week 11 (September 2019). Our Managing Director & CEO Mr. Chacko Thomas was presented the Responsible CEO Award for sparking change through volunteering at Tata Coffee. More than 14,000 hours were volunteered by the employees.

— BOARD OF DIRECTORS —

Strong governance



Mr. R. Harish Bhat

CHAIRMAN

Mr. Bhat is the Brand Custodian at Tata Sons. He joined the Tata group in 1987, as an officer in the Tata Administrative Service (TAS). Currently, he is the Chairman of Tata Coffee Limited. He is a Director on the Boards of several other Tata Companies, including Tata Consumer Products Limited (formerly known as Tata Global Beverages Ltd.), Trent Ltd., Tata Starbucks Pvt. Ltd., Infiniti Retail Ltd., Tata Unistore Ltd. and Tata AIA Life Insurance Company Limited.

During his career spanning over 30 years with the Tata group, Mr. Bhat has held 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 Ltd., and in the telecom business. He has played a key role in several strategic moves, and in nurturing many brands of the Group.

Mr. Bhat is an alumnus of BITS Pilani and IIM Ahmedabad. He won the IIM Ahmedabad Gold Medal for scholastic excellence in 1987. A decade later, he won the Chevening Scholarship for young managers, awarded by the British Government. In 2017, he received the Distinguished Alumnus Award from BITS Pilani. Mr. Bhat is also a passionate and prolific writer and columnist.



Mr. Sunil A. D'Souza

**NON-EXECUTIVE
NON-INDEPENDENT DIRECTOR**

Mr. D'Souza is the Managing Director and CEO of Tata Consumer Products Limited. In his previous role, he served as the Managing Director of Whirlpool India Ltd., for four years. Prior to this, he spent almost fifteen years at PepsiCo, where he held several leadership roles. During his stint at PepsiCo, he handled all commercial aspects of the company's foods and beverages portfolio and successfully led the business in a large cluster of Asian countries. He began his career at Hindustan Unilever Ltd. in 1993. With over 26 years of rich experience, he has strong domain knowledge of the consumer products business with distinct focus on strategy, growth and execution.

He is an engineering graduate from the University of Madras and holds a post-graduate diploma in management from the IIM Calcutta.



Mr. V. Leeladhar

INDEPENDENT DIRECTOR

Mr. Leeladhar has considerable banking industry experience, having worked in the sector as the Executive Director of the Bank of Maharashtra; Chairman and Managing Director of Vijaya Bank; and the Chairman and Managing Director of the Union Bank of India. Additionally, he served as the Deputy Governor of the Reserve Bank of India for over four years. He was also a member of the Securities and Exchange Board of India (SEBI) for nearly three years. He is on the Board of Tata Asset Management Co. Limited.



Ms. Sunalini Menon
INDEPENDENT DIRECTOR

Ms. Menon has held positions of increasing responsibility at the Coffee Board of India between 1972 and 1995, ultimately becoming the Director of Quality Control. She is widely considered as one of Asia's recognised coffee cuppers, with four decades of experience in the Indian and international coffee industry. Her visual and organoleptic skills in coffee evaluation are esteemed and acknowledged around the world. She has experience executing assignments in South and Central America, Africa and Southeast Asia as a Coffee Corps Volunteer of the Coffee Quality Institute (CQI) of the Specialty Coffee Association of America.

She is the President of M/s. Coffeelab Limited in Bengaluru, India and a Special Lecturer at the Università del Caffè, Trieste, Italy. She is a Trustee of the India Coffee Trust, Director on the Advisory Committee of the 'Alliance for Coffee Excellence' and is also on the Board of Trustees of the 'Coffee Quality Institute' of the Specialty Coffee Association of America.



Mr. Siraj Azmat Chaudhry
INDEPENDENT DIRECTOR

Mr. Chaudhry with his 32 years professional career in food and agriculture brought in skillsets that encompass the value chain of agriculture, commodity trading, risk management, food processing and FMCG sales and marketing. He is regularly consulted by central and state governments for his views in these domains. He supports and mentors start-ups in the food and agriculture industries and is closely associated with the cause of food security and nutrition. He was one of the founders of United Way-Delhi chapter and India Food Banking Network. He was the Chairman of Cargill India.

He is the Managing Director and CEO of National Collateral Management Services Limited. He serves as an Independent Director on the Board of Tata Consumer Products Limited. He co-chairs the National Committee on Agriculture at Federation of Indian Chambers of Commerce & Industry (FICCI).



Dr. P. G. Chengappa
INDEPENDENT DIRECTOR

Dr. Chengappa is a policy economist with specialisation in agri-business and trade. He is one of India's most eminent agricultural economists with over three decades of experience in teaching, research, extension and consultancy. He served as a visiting professor at the Universities of Reading and Wales. He was President (Elect), Indian Society of Agricultural Economics in 2012 and President, Agricultural Economics Review Association, New Delhi between 2013 and 2016. He acted as the national professor of the Indian Council of Agricultural Research and served as the Vice Chancellor of the University of Agricultural Sciences, Bangalore. As a member of the group working on Agricultural Marketing, Planning Commission of India, he was instrumental in preparing the 12th Five Year Plan document. He has been a consultant to several international organisations, including International Food Policy Research Institute (Washington), International Plant Genetics Resource Institute (Rome), International Rice Research Institute (Manila) and DSE Germany.

He is a Board member of Sam Agri Tech Limited, Sam Agri Ventures Limited and Tasty Bite Eatables Limited.

BOARD OF DIRECTORS (CONTD.)

Mr. Chacko Purackal Thomas
MANAGING DIRECTOR & CEO

Mr. Chacko Thomas is currently the Managing Director & CEO of Tata Coffee. He has a Bachelor of Science degree with specialisation in Computer Science from the University of Jodhpur. He is also an alumnus of INSEAD Fontainebleau, having completed his Advanced Management Programme there. With over 28 years of rich experience in the plantation industry, he enjoys expertise in plantations, business strategy, sales and marketing functions of this industry segment.

He has been associated with Tata Coffee since 4th August 2015. Before joining Tata Coffee, he was the Managing Director of Kanan Devan Hills Plantations Company Pvt. Ltd., Munnar.



Mr. K. Venkataramanan
EXECUTIVE DIRECTOR –
FINANCE & CFO

Mr. Venkataramanan is a Chartered Accountant and a Cost Accountant with three decades of experience in areas, such as financial and management accounting, commercial finance, taxation, treasury and corporate restructuring. He has been associated with Tata Coffee Limited since October 25, 2014. He was formerly the Vice President (Finance) and Chief Financial Officer of Tata Consumer Products (formerly known as Tata Global Beverages Limited). He also oversees risk management, governance and IT functions.

He is also a Non-Executive Director on Boards of Tata Housing Development Company Ltd., Kanan Devan Hills Plantations Company Pvt. Ltd. and Amalgamated Plantations Pvt. Ltd.

Corporate information

Board of Directors

Mr. R. Harish Bhat (*Chairman*)
 Mr. Sunil A. D'Souza (w.e.f. 05.05.2020)
 Ms. Sunalini Menon
 Mr. V. Leeladhar
 Mr. Siraj Azmat Chaudhry
 Dr. P. G. Chengappa
 Mr. Chacko Purackal Thomas
 (*Managing Director & CEO*)
 Mr. K. Venkataramanan
 (*Executive Director - Finance & CFO*)
 Mr. L. Krishnakumar (up to 05.05.2020)
 Mr. S. Santhanakrishnan (up to 20.07.2019)

Head – Legal & Company Secretary

Mr. N. Anantha Murthy

Corporate Identity Number (CIN)

L01131KA1943PLC000833

Registered Office

Pollibetta – 571 215
 Kodagu, Karnataka
 Tel: +91 8274 251 411/ 13

Corporate Office

No. 57, Railway Parallel Road
 Kumara Park (W), Bangalore – 560 020
 Tel: +91 80 23561976/ 81, Fax: +91 80 233 41843
 E-mail: investors@tatacoffee.com
 Website: www.tatacoffee.com

Registrar & Transfer Agent

TSR Darashaw Consultants Private Limited
 (Unit: Tata Coffee Limited)
 6, Haji Moosa Patrawala Industrial Estate
 20, Dr. E. Moses Road, Mahalaxmi,
 Mumbai – 400 011
 Tel: +91 22 6656 8484
 Fax: +91 22 6656 8484
 E-mail: csg-unit@tsrdarashaw.com
 Website: www.tsrdarashaw.com

Statutory Auditors

M/s. Deloitte Haskins & Sells LLP

Bankers

Union Bank of India
 Indian Overseas Bank
 Standard Chartered Bank
 The Hongkong and Shanghai Banking Corporation Limited
 HDFC Bank Limited

Audit Committee

Mr. V. Leeladhar (*Chairman*)
 Ms. Sunalini Menon
 Mr. Siraj Azmat Chaudhry
 Dr. P. G. Chengappa

Nomination and Remuneration Committee

Mr. Siraj Azmat Chaudhry (*Chairman*)
 Mr. R. Harish Bhat
 Mr. V. Leeladhar

Stakeholders' Relationship Committee

Dr. P. G. Chengappa (*Chairman*)
 Mr. Chacko Purackal Thomas
 Mr. K. Venkataramanan

Corporate Social Responsibility Committee

Ms. Sunalini Menon (*Chairperson*)
 Mr. V. Leeladhar
 Mr. Siraj Azmat Chaudhry
 Dr. P. G. Chengappa
 Mr. Chacko Purackal Thomas

Risk Management Committee

Mr. Siraj Azmat Chaudhry (*Chairman*)
 Mr. V. Leeladhar
 Dr. P. G. Chengappa
 Mr. Chacko Purackal Thomas
 Mr. K. Venkataramanan

Key Highlights - Standalone

2015-16 to 2019-20 - A Five Year Review

	2015-16 (Under Previous GAAP)	2015-16 (Under Ind AS)	2016-17 (Under Ind AS)	2017-18 (Under Ind AS)	2018-19 (Under Ind AS)	2019-20 (Under Ind AS)
Revenue from Operations (₹ in lakh)	71817.62	70811.49	77882.51	70543.14	70290.85	71943.72
Other Income (₹ in lakh)	3592.77	4466.53	6948.49	5622.75	5391.97	5630.97
Total Income	75410.39	75278.02	84831.00	76165.89	75682.82	77574.69
Profit Before Tax (₹ in lakh)	14197.05	10231.49	18197.80	8080.50	9789.74	8542.60
As percentage of Total Income	18.8	13.6	21.5	10.6	12.9	11.0
Profit After Tax (₹ in lakh)	10249.98	6473.45	13922.99	6276.38	7158.08	7321.04
PAT, as % of Total Income	13.6	8.6	16.4	8.2	9.5	9.4
Debt/Equity Ratio	0.15:1	0.15:1	0.09:1	0.10:1	0.09:1	0.07:1
Earning per Share * (₹)	5.49	3.47	7.45	3.36	3.83	3.92
Dividend per Share * (₹)	1.30	1.30	1.75	1.50	1.50	1.50

* On equity share of ₹1 each

Key Highlights - Consolidated

2015-16 to 2019-20 - A Five Year Review

	2015-16 (Under Previous GAAP)	2015-16 (Under Ind AS)	2016-17 (Under Ind AS)	2017-18 (Under Ind AS)	2018-19 (Under Ind AS)	2019-20 (Under Ind AS)
Revenue from Operations (₹ in lakh)	176444.52	155105.81	160600.18	156732.35	180398.18	196605.94
Other Income (₹ in lakh)	1096.55	1970.32	2278.71	2203.00	1843.23	2072.18
Total Income	177541.07	157076.13	162878.89	158935.35	182241.41	198678.12
Profit Before Tax (₹ in lakh)	23816.61	20595.28	31789.73	18593.88	17008.54	20007.46
As percentage of Total Income	13.4	13.1	19.5	11.7	9.3	10.1
Profit After Tax (₹ in lakh) (Net of Non-Controlling Interests)	11783.31	8250.46	15115.09	10663.36	6877.45	8240.27
PAT, as % of Total Income	6.6	5.3	9.3	6.7	3.8	4.1
Debt/Equity Ratio	1.06:1	0.98:1	0.84:1	0.67:1	0.74:1	0.73:1
Earning per Share * (₹)	6.31	4.42	8.09	5.71	3.68	4.41
Dividend per Share * (₹)	1.30	1.30	1.75	1.50	1.50	1.50

* On equity share of ₹1 each

PRODUCTION (IN MT)

YEAR	COFFEE			TEA	PEPPER	COFFEE CURED	INSTANT COFFEE
	ARABICA	ROBUSTA	TOTAL				
2010/2011	1670	6620	8290	7334	535	12959	4974
2011/2012	2129	5667	7796	6775	864	12010	6347
2012/2013	1542	6800	8342	6640	1148	12509	6639
2013/2014	2076	4781	6857	6545	368	11988	6955
2014/2015	1594	7002	8596	6170	1150	10266	7975
2015/2016	1899	6222	8121	6180	599	11162	7986
2016/2017	1628	6000	7628	5666	544	11528	8474
2017/2018	1890	3736	5626	5629	909	11940	8150
2018/2019	1557	6030	7587	4879	597	8441	7493
2019/2020	1425	4405	5830	4874	775	11042	7776

ACREAGE STATEMENT - 5 YEARS

	2015/16	2016/17	2017/18	2018/19	2019/20	
	Acres	Acres	Acres	Acres	Acres	Hectares
COFFEE*						
Arabica	7579	7482	7479	7544	7609	3081
Robusta	10607	10640	10635	10652	10637	4307
Mixed Coffee	87	87	87	87	87	35
	18273	18209	18201	18283	18333	7423
TEA	6067	6066	6066	5981	5896	2387
OTHER CROPS						
Cardamom	299	351	351	351	351	142
Pure Pepper/Areca	571	425	457	448	448	181
Oil Palm/Bamboo etc.	169	175	146	132	145	59
TOTAL CULTIVATED AREA	25379	25226	25221	25195	25173	10192

* Pepper interplanted in Coffee Estates

Notice

NOTICE is hereby given that the 77th Annual General Meeting of the Members of Tata Coffee Limited will be held on Monday, June 29, 2020 at 11.00 A.M (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Accounts – Standalone

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020 together with the Reports of the Board of Directors and the Auditors thereon.

2. Adoption of Accounts – Consolidated

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020 together with the Report of the Auditors thereon.

3. Declaration of Dividend

To declare a Dividend on Equity Shares for the Financial Year ended March 31, 2020.

4. Appointment of a Director retiring by rotation

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

SPECIAL BUSINESS:

5. Re-appointment of Ms. Sunalini Menon (DIN: 06983334) as an Independent Director for a second term

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment thereof for the time being in force), read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended to date and Schedule IV to the Act, and Regulation 16(1)(b) and 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended to date, Ms. Sunalini Menon (DIN: 06983334), who was appointed as an Independent Director at the 72nd Annual General Meeting of the Company held on August 3, 2015 and who holds office upto August 2, 2020 and who is eligible for re-appointment

and who meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby re-appointed as an Independent Non-Executive Director on the Board of the Company, not liable to retire by rotation, with effect from August 3, 2020 to October 31, 2023.

6. Re-appointment of Mr. V. Leeladhar (DIN: 02630276) as an Independent Director for a second term

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, – if any, of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment thereof for the time being in force), read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended to date, and Schedule IV to the Act, and Regulation 16(1)(b) and 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended to date, Mr. V. Leeladhar (DIN: 02630276), who was appointed as an Independent Director at the 72nd Annual General Meeting of the Company held on August 3, 2015 and who holds office upto August 2, 2020 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby re-appointed as an Independent Non-Executive Director on the Board of the Company, not liable to retire by rotation, with effect from August 3, 2020 to December 6, 2021".

7. Re-appointment of Mr. Siraj Azmat Chaudhry (DIN: 00161853) as an Independent Director for a second term

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, – if any, of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment thereof for the time being in force), read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended to date, and Schedule IV to the Act, and Regulation 16(1)(b) and 17 of Securities and Exchange Board of India (Listing

Notice [Contd.]

Obligations and Disclosure Requirements) Regulations, 2015, as amended to date, Mr. Siraj Azmat Chaudhry (DIN: 00161853), who was appointed as an Independent Director at the 72nd Annual General Meeting of the Company held on August 3, 2015 and who holds office upto August 2, 2020 and who is eligible for reappointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby re-appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation and to hold office for another term of 5 (five) consecutive years on the Board of the Company, with effect from August 3, 2020 to August 2, 2025.

8. Appointment of Mr. Sunil A. D'Souza (DIN: 07194259), as a Director

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

RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions – if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per Article 101 of Articles of Association of the Company, Mr. Sunil A. D'Souza (DIN: 07194259), who was appointed as an Additional Director by the Board on May 5, 2020 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, signifying its intention to propose Mr. Sunil A. D'Souza as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

9. Re-appointment of Mr. K. Venkataramanan (DIN: 01728072), as Executive Director – Finance & CFO 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 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended to date,

consent of the Company be and is hereby accorded for the re-appointment of Mr. K. Venkataramanan (DIN: 01728072), as Executive Director – Finance & CFO of the Company, not liable to retire by rotation, for a period of 2 (two) years with effect from October 25, 2020 to October 24, 2022, upon the principal terms and conditions set out in the Explanatory Statement annexed to the Notice, including the remuneration to be paid in the event of inadequacy of profits in any Financial Year during the tenure of his re-appointment, with liberty to the Board of Directors of the Company to increase, alter and vary, without further reference to the Members, the terms and conditions of the said re-appointment including the remuneration, in such manner, as may be agreed to between the Board of Directors and Mr. K. Venkataramanan.

RESOLVED FURTHER THAT the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.

10. Ratification of remuneration payable to M/s. Rao, Murthy & Associates, Cost Auditors 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 Section 148(3) 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 to date, payment of ₹3,00,000/- (Rupees Three Lakh only), reimbursement of out-of-pocket expenses at actuals plus applicable taxes thereon incurred in connection with the audit, payable to M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065), who have been appointed by the Board as Cost Auditors of the Company for conducting the cost audit of the accounts for the Financial Year ending March 31, 2021 be and is hereby ratified.

By Order of the Board

N. Anantha Murthy

Place: Bengaluru
Date: May 5, 2020

Head – Legal & Company Secretary
Membership No. ACS 17134

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
3. The relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the business under Item Nos. 5 to 10 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
4. **Book Closure and Dividend:**
 - (a) The Register of Members and the Share Transfer Books of the Company will remain closed from June 16, 2020 to June 22, 2020 (both days inclusive) for the purpose of payment of dividend.
 - (b) If dividend on Equity Shares, as recommended by the Board, is approved at the Annual General Meeting, the payment of such dividend will be made on or after July 2, 2020, as under:
 - (i) to all beneficial owners in respect of Shares held in electronic form as per details furnished by the Depositories for this purpose as of the beginning of the business hours on June 16, 2020.
 - (ii) to all Members in respect of Shares held in physical form, after giving effect to valid transfer, transmission or transposition requests lodged with the Company on or before June 16, 2020.
5. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents - M/s. TSR Darashaw Consultants Private Limited for assistance in this regard.
6. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held in electronic form and to M/s. TSR Darashaw Consultants Private Limited, in case the shares are held in physical form.
8. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. **Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**
Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

Notice [Contd.]

The Members/Claimants whose shares, unclaimed dividend, and debenture interest amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in). The Member/Claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

It is in the Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

Members who have not yet encashed the dividend warrants, from the Financial Year ended March 31, 2013 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents. Members are requested to contact the Company's Registrar and Share Transfer Agent to claim the unclaimed/ unpaid dividends at the following address:

M/s. TSR Darashaw Consultants Private Limited,
Unit: Tata Coffee Limited,
6, Haji Moosa Patrawala Industrial Estate,
20, Dr. E Moses Road, Mahalaxmi, Mumbai – 400 011

10. Payment of Dividend through electronic means:

- (a) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9-digit MICR and 11-digit IFS Code), along with their Folio Number, to the Company's Registrar and Share Transfer Agent - M/s. TSR Darashaw Consultants Private Limited. Members holding shares in electronic form are requested to provide the said details to their respective Depository Participants.
- (b) Members 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. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

11. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.

12. Updation of Members' Details:

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company/ Registrar and Share Transfer Agent to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing these additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled-in form to the Company or to its Registrar and Share Transfer Agent. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant.

13. **Nomination Facility:** As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

14. Members, who have not yet exchanged their shares of Asian Coffee Ltd. / Coffee Lands Ltd. / Consolidated Coffee Ltd., with the Share Certificates of Tata Coffee Ltd., are requested to surrender their Share Certificate(s) for exchange. Such Members' are requested to contact the Company's Registrar and Share Transfer Agent – M/s. TSR Darashaw Consultants Private Limited, in this regard.

15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at investors@tatacoffee.com.

16. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2019-20 will also be available on the Company's website at www.tatacoffee.com, on the website of the Stock Exchanges i.e. BSE Limited and National Stock

Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.

17. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending an email to tdsdividend@tatacoffee.com latest by 11:59 p.m. (IST) on June 10, 2020.

Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to tdsdividend@tatacoffee.com. The aforesaid declarations and documents need to be submitted by the shareholders latest by 11:59 p.m. (IST) on June 10, 2020.

19. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

VOTING THROUGH ELECTRONIC MEANS

1. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended to date and Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

2. The remote e-voting period commences at 9.00 A.M. (IST) on Friday, June 26, 2020 and ends at 5.00 P.M. (IST) on Sunday, June 28, 2020. During this period, Members holding shares either in physical or de-materialized form as on the Cut-Off Date i.e., Monday, June 22, 2020, may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
3. The Company has appointed Mr. S. M. Pramod of M/s. BMP & Co., LLP., Company Secretaries (Membership No. FCS 7834) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process, in a fair and transparent manner.
4. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM, but shall not be entitled to cast their vote again.
5. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on June 22, 2020 ("Cut-Off Date").
6. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the Cut-off date i.e. June 22, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.
7. **E-voting Instructions:** The details of the process and manner for remote e-voting are explained herein below:

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

- i) Visit the e-voting website of NSDL by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- ii) Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Notice [Contd.]

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.

iv) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

v) Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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 enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - 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 and open the

attachment i.e. 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'.

- If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- 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.
- Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
- 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, PAN, name and registered address.

vii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii) Now, you will have to click on "Login" button.

ix) After you click on the "Login" button, Home page of e-Voting will open.

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

- 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.
- 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.
- Select "EVEN" of company for which you wish to cast your vote.
- Now you are ready for e-voting as the Voting page opens.

- v) 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.
- vi) Upon confirmation, the message "Vote cast successfully" will be displayed.
- vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for registration of email ID for obtaining Annual Report and user ID / password for e-voting and updation of bank account mandate for receipt of dividend:

Physical Holding	<p>Send a request to the Registrar and Transfer Agents of the Company, TSR Darashaw Consultants Private Limited at Csg-KYC@tsrdarashaw.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address.</p> <p>Following additional details need to be provided in case of updating Bank Account Details:</p> <ul style="list-style-type: none"> a) Name and Branch of the Bank in which you wish to receive the dividend, b) the Bank Account type, c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions d) 9 digits MICR Code Number, and e) 11 digits IFSC Code f) a scanned copy of the cancelled cheque bearing the name of the first shareholder.
Demat Holding	<p>Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.</p>

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM, ARE AS UNDER:

- a) Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsd.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.

Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting

instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.

- b) Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- c) Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in / +91 22 24994360 / +91 99202 64780 or Mr. Thejas Narasimhamurthy, Assistant Manager- NSDL at thejasn@nsdl.co.in / +91 80 40407106 / +91 97423 53308.
- d) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investors@tatacoffee.com from June 20, 2020 (9:00 a.m. IST) to June 25, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

GENERAL INSTRUCTIONS / INFORMATION FOR MEMBERS FOR VOTING ON THE RESOLUTIONS:

- a) Corporate / Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF / JPG Format) of the relevant Board Resolution/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at the email address: pramod@bmpandco.com with a copy marked to 'evoting@nsdl.co.in'.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
- c) In case of any query pertaining to e-voting, Members 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. Any query or grievance connected with the remote e-voting may be addressed to

Notice [Contd.]

Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: evoting@nsdl.co.in / pallavid@nsdl.co.in, Tel: +91 22 2499 4545 / 1800-222-990 or Mr. Thejas Narasimhamurthy, Assistant Manager- NSDL at thejasn@nsdl.co.in / +91 80 40407106 / +91 97423 53308.

OTHER INFORMATION:

- a) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or to a person authorized by the Chairman in writing who shall countersign the same.
- b) The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the Results of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website and on the website of NSDL immediately after the results is declared and communicated to the Stock Exchanges where the equity shares of the Company are listed.
- c) Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of Annual General Meeting shall be deemed to be passed on the date of the AGM i.e. Monday, June 29, 2020.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("ACT")

The following Statement sets out all material facts relating to Item Nos. 5 to 10 mentioned in the accompanying Notice.

Item Nos. 5, 6 and 7

The Members of the Company at the 72nd Annual General Meeting held on August 3, 2015, had appointed Ms. Sunalini Menon (DIN:06983334), Mr. V. Leeladhar (DIN: 02630276) and Mr. Siraj Azmat Chaudhry (DIN:00161853) as Independent Director(s) to hold office for a term of five consecutive years upto August 2, 2020.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a Special Resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on the recommendation of the Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150 and 152, read with Schedule IV and other applicable provisions, if any, of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations");

- i. Ms. Sunalini Menon, being eligible for re-appointment as an Independent Director and offering herself for re-appointment, is proposed to be re-appointed as an Independent Director from August 3, 2020 to October 31, 2023.
- ii. Mr. V. Leeladhar, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director from August 3, 2020 to December 6, 2021.
- iii. Mr. Siraj Azmat Chaudhry, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for a further period of five consecutive years from August 3, 2020 to August 2, 2025.

A brief profile / expertise of the Independent Directors to be re-appointed is provided in the Annexure to the Notice.

The Company has received declaration(s) from Ms. Sunalini Menon, Mr. V. Leeladhar and Mr. Siraj Azmat Chaudhry that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) and 25(8) of the Listing Regulations. In the opinion of the Board, Ms. Sunalini Menon, Mr. V. Leeladhar and Mr. Siraj Azmat Chaudhry fulfil the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended to date and Regulation 16(1)(b) of the Listing Regulations for their re-appointment as Independent Non-Executive Director(s) of the Company and are independent of the management.

Copies of the draft appointment letters of Ms. Sunalini Menon, Mr. V. Leeladhar and Mr. Siraj Azmat Chaudhry as Independent Non-executive Director(s) setting out the terms and conditions of re-appointment would be available for inspection by the Members, by writing an email to the Company at investors@tatacoffee.com.

The Company has immensely benefited during the tenures of Ms. Sunalini Menon, Mr. V. Leeladhar and Mr. Siraj Azmat Chaudhry as Independent Director(s) of the Company and the Board is satisfied with the integrity, expertise and experience

(including the proficiency) of these Independent Directors, who are being re-appointed at this AGM.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Ms. Sunalini Menon, Mr. V. Leeladhar and Mr. Siraj Azmat Chaudhry and accordingly the Board recommends Special Resolution(s) at Item Nos. 5, 6 and 7 in relation to the re-appointment of Ms. Sunalini Menon, Mr. V. Leeladhar and Mr. Siraj Azmat Chaudhry as Independent Director(s) of the Company for the respective periods stated above, for approval by the Members of the Company.

Ms. Sunalini Menon, Mr. V. Leeladhar and Mr. Siraj Azmat Chaudhry, being appointee(s), are interested and concerned in the Resolution(s), mentioned at Item Nos. 5, 6 and 7 respectively, of the Notice. None of the other Directors or Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the said Resolution(s) accompanying the Notice.

Item No. 8

The Board of Directors of the Company at the meeting held on May 5, 2020, based on the recommendation of the Nomination & Remuneration Committee, appointed Mr. Sunil A. D'Souza (DIN:07194259) as an Additional Director (Non-Executive, Non-Independent) of the Company with effect from that date. In terms of the provisions of Section 161 of the Act, Mr. D'Souza holds the office till the date of ensuing Annual General Meeting and is eligible for appointment. Notice under the provisions of Section 160 of the Act has been received from a member signifying its intention to propose the candidature of Mr. D'Souza as Director of the Company.

A brief profile / expertise of Mr. D'Souza is provided in the Annexure to the Notice.

The Board considers that the continued association of Mr. D' Souza would be of immense benefit to the Company and it is desirable to continue to avail his services. The Board is satisfied with the integrity, expertise and experience (including the proficiency), of Mr. D'Souza who is being appointed at this AGM. Hence, the Board recommends the Resolution set out at Item No. 8 of the accompanying Notice for approval by the Members.

Mr. D'Souza is interested and concerned in the Resolution mentioned at Item No. 8 of the Notice. None of the other Directors or Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution.

Item No. 9

Mr. Venkataramanan's current tenure of office as Executive Director – Finance & CFO of the Company expires on October 24, 2020.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at the meeting held on May 5, 2020, has re-appointed Mr. K. Venkataramanan as the Executive Director- Finance & CFO of the Company for a further period of two (2) years i.e., from October 25, 2020 to October 24, 2022 subject to the approval by the members of the Company on the terms and conditions of appointment as indicated below.

Mr. Venkataramanan is a qualified Chartered Accountant and a Cost Accountant with over three decades of rich experience in diverse areas covering financial and management accounting, commercial finance, taxation, treasury, and Corporate Restructuring, Corporate Governance, Risk Management.

The principal terms and conditions of re-appointment of Mr. K. Venkataramanan (hereinafter referred to as "the Appointee") including the terms of remuneration are given below:

A. Tenure of Re-appointment:

The re-appointment of Mr. K. Venkataramanan as Executive Director- Finance & CFO is for a period two (2) years i.e., from October 25, 2020 to October 24, 2022.

B. Nature of Duties:

The Appointee 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 Board, and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board and the Managing Director of the Company, in connection with and in the best interests 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:

The Appointee shall be entitled to remuneration as stated hereunder in terms of Schedule V to the Act and as per Industry/Market Standards:

- a) **Basic Salary:** ₹4,34,514/- per month with annual increments effective 1st April every year as may be decided by the Board, based on the recommendation of Nomination & Remuneration Committee, which is based on merits and considering the Company's Performance.

Notice [Contd.]

b) Benefits, Perquisites, Allowances:

In addition to the Basic Salary referred to in (a) above, the Executive Director- Finance & CFO shall be entitled to:

- A. Rent-free residential accommodation (furnished or otherwise) 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, House Maintenance and Utility Allowances aggregating 85% of the Basic Salary (in case residential accommodation is not provided by the Company).

- B. Hospitalization, Transport, Telecommunication and other facilities:
- (i) Hospitalization and major medical expenses for self, spouse and dependent (minor) children;
 - (ii) Car, with Driver provided, maintained by the Company for official and personal use.
 - (iii) Telecommunication facilities including broadband, internet and fax, including one company provided mobile phone.
 - (iv) Housing Loan as per the Rules of the Company.
- C. Other perquisites and allowances given below subject to a maximum of 55% of the annual salary;

The categories of perquisites / allowances to be included within the 55% limit shall be –

Sl. No.	Perquisite/Allowance	%
a.	Allowances	33.34
b.	Leave Travel Concession / Allowance	8.33
c.	Medical Allowance	8.33
d.	Personal Accident Insurance*	@ actuals subject to a cap
e.	Club Membership fees (one club) *	of
	Total	55.00

* The Company will pay the amounts for these benefits directly to the entities concerned. The figures shown above are a valuation and are not payable in cash or in allowance form to the Executive unless approved otherwise.

- D. Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company.

- E. The Executive Director – Finance & CFO shall be entitled to leave in accordance with the Rules of the Company. Privilege Leave earned but not availed by the Executive Director – Finance & CFO is encashable in accordance with the Rules of the Company.

F. Commission / Incentive:

Such remuneration by way of commission / incentive, in addition to the salary and perquisites and allowances payable, 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 the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the Executive Director – Finance & CFO will be based on performance as evaluated by the Board or a Committee thereof duly authorized in this behalf, which shall not exceed 18 Months' Basic Salary and will be payable annually after the Annual Accounts have been approved by the Board.

G. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any Financial Year during the currency of the tenure of the Executive Director – Finance & CFO, the Company has no profits or its profits are inadequate, the Company will pay to the Executive Director – Finance & CFO, remuneration by way of Salary, Benefits, Perquisites and Allowances, and Commission / Incentive as specified above.

- H. The Executive Director – Finance & CFO shall be entitled to reimbursement of Interest on the Housing Loan availed by him for acquisition of Residential Property, subject to maximum Loan Amount of ₹50 Lakh and interest reimbursement upto 10% of the total interest charged by the Lending Institution, which shall not exceed the interest rates charged by M/s. Housing Development Finance Corporation (HDFC).

c) Other terms of re-appointment:

- i. The Appointee shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.

- ii. The terms and conditions of the re-appointment of the Appointee 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 Appointee subject to such approvals as may be required.
- iii. The re-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.
- iv. The employment of the Appointee may be terminated by the Company without notice or payment in lieu of notice:
 - a) if the Appointee is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associate company to which he is required to render services; or
 - b) in the event of any serious, repeated or continuing breach (after prior warning) or non-observance by the Appointee of any of the stipulations contained in the agreement to be executed between the Company and the Appointee ("Agreement"); or
 - c) in the event the Board expresses its loss of confidence in the appointee.
- v. In the event the Appointee 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.
- vi. Upon the termination by whatever means of the Appointee's employment:
 - a) the Appointee shall immediately tender his resignation from offices held by him in any subsidiaries and associate companies and other entities without claim for compensation for loss of office;
 - b) the Appointee 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 associate companies.
 - c) The terms and conditions of re-appointment of the Appointee also include clauses pertaining to adherence with the Tata Code of Conduct and maintenance of confidentiality.
- vii. If and when the Agreement relating to re-appointment expires or is terminated for any reason whatsoever, the Appointee will cease to be the Executive Director – Finance & CFO and cease to be a Director of the Company.
- viii. The remuneration payable to the Appointee is commensurate with industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by them.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Act, read with Schedule V thereto, the terms of re-appointment and remuneration specified above are now being placed before the Members for their approval.

Draft of the agreement to be entered into between the Company and Mr. Venkataramanan setting out the terms and conditions of the re-appointment would be available for inspection by the Members by writing an email to the Company at investors@tatacoffee.com.

The Company has immensely benefited during Mr. Venkataramanan's tenure as Executive Director-Finance & CFO since October 2014. The Board considers that his continued association would be of immense benefit to the Company. The Board is satisfied with the integrity, expertise and experience (including the proficiency) of Mr. Venkataramanan who is being re-appointed at this AGM and accordingly, the Board recommends the resolution for his re-appointment as set out at Item No. 9 of the accompanying Notice for approval by the Members of the Company.

Notice [Contd.]

Mr. K. Venkataramanan, being an Appointee, is interested and concerned in the Resolution mentioned at Item No. 9 of the Notice.

None of the other Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 9 of the accompanying Notice.

Item No. 10

In terms of the provisions of Section 148 of the Act and the Rules made thereunder, the Company is required to maintain Cost Audit records and have the same audited by a Cost Auditor. Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 5, 2020, appointed M/s. Rao, Murthy & Associates (Firm Registration No. 000065), as Cost Auditor for conducting the Cost Audit for the Financial Year ending March 31, 2021, on a remuneration of ₹3,00,000/- (Rupees Three Lakh only), reimbursement of out-of-pocket expenses at actuals plus applicable taxes thereon.

Rule 14 of Companies (Audit and Auditors) Rules, 2014 as amended, requires that the remuneration payable to the Cost Auditor be ratified by the Members. Hence, the resolution at Item No. 10 of the Notice.

The Directors recommend that the remuneration payable to the Cost Auditor in terms of the resolution set out at Item No.10 of the accompanying Notice be ratified by the Members.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 10 of the accompanying Notice.

By Order of the Board

Place: Bengaluru
Date: May 5, 2020

N. Anantha Murthy
Head – Legal & Company Secretary
Membership No. ACS 17134

Details of Directors seeking appointment/re-appointment at the Annual General Meeting [Pursuant to regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meeting]

Name of Director	Mr. R. Harish Bhat*	Ms. Sunalini Menon	Mr. V. Leeladhar	Mr. Siraj Azmat Chaudhry	Mr. Sunil A. D'Souza	Mr. K. Venkataramanan
Date of Birth	08.11.1962	01.11.1948	07.12.1946	08.01.1967	31.12.1967	30.07.1961
Date of Appointment	27.07.2012	23.09.2014	22.12.2014	15.05.2015	05.05.2020	25.10.2014
Qualifications	B.E (Hons.) - BITS Pilani, PGDM (IIM, Ahmedabad)	Post Graduate in Food Technology from University of Madras.	B.Sc. (Engg.)	Post Graduate from the Indian Institute of Foreign Trade	B.E, PGDM (IIM, Calcutta)	ACA, ICWA
Relationship between Directors inter-se	None	None	None	None	None	None
Expertise in specific functional area	Overall Business Management including functional expertise in Sales, Marketing and Corporate Management	More than 4 decades of rich experience in coffee Industry relating to quality and quality - related aspects of Domestic and International Coffee	Rich and wide experience in Banking and Finance	More than 3 decades of rich experience in the Agri Business/ Commodity Trading / Forex	Strong domain knowledge and expertise in handling consumer products business with distinct focus on strategy, growth and execution.	More than three decades of rich experience in diverse areas covering financial and management accounting, commercial finance, taxation, treasury, and corporate restructuring, Corporate Governance and Risk Management
Directorships held in other Public Companies (excluding Foreign, Private and Section 8 Companies)	- Tata Consumer Products Limited - Tata AIA Life Insurance Company Limited - Infiniti Retail Limited - Trent Limited - Tata Unistore Limited	-	- Tata Asset Management Limited	- Tata Consumer Products Limited - National Collateral Management Services Limited	- Tata Consumer Products Limited - Nourishco Beverages Limited - TRIL Constructions Limited	Tata Housing Development Company Limited
Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Chairman: Stakeholders Relationship Committee - Trent Limited Member: Audit Committee - Tata Consumer Products Limited	-	Chairman: Audit Committee - Tata Asset Management Limited	Member: Audit Committee - Tata Consumer Products Limited	-	-
No. of shares held in the Company	NIL	NIL	NIL	NIL	NIL	NIL

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

Note: For other details such as the number of meetings of the Board attended during the year, remuneration drawn in respect of the above Directors, please refer to the Corporate Governance Report, which forms part of the Annual Report

Board's Report

To the Members,

Your Directors are pleased to present the 77th Annual Report of Tata Coffee Limited ("the Company") along with the Audited Financial Statements for the Financial Year ended March 31, 2020.

Financial Results:

The financial performance of the Company for the year ended March 31, 2020, on a Standalone and Consolidated basis, is summarised below:

(₹ crore)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	719	703	1966	1804
Other income	56	54	21	18
Total Income	775	757	1987	1822
Expenses				
Operating expenditure	671	652	1710	1606
Depreciation and amortization expenses	25	23	81	57
Total Expenses	696	675	1791	1663
Profit before Exceptional Items and Taxes	79	82	196	159
Add: Exceptional Items and Taxes	6	16	4	11
Profit before tax (PBT)	85	98	200	170
Tax expense	12	26	59	63
Profit for the year	73	72	141	107
Attributable to:				
Shareholders of the Company	73	72	82	69
Non-Controlling Interests	-	-	59	38
Surplus brought forward from Previous Year	522	479	646	606
Amount available for appropriation	595	551	728	675
General Reserve I	-	-	-	-
General Reserve II	(7)	(8)	(7)	(8)
Reversal of Dividend Distribution Tax / Deferred Tax	-	13	-	13
Dividend paid relating to Previous Year	(28)	(28)	(28)	(28)
Tax on Dividend	(6)	(6)	(6)	(6)
Transfer to Retained Earnings	8	-	8	-
Transfer to Retained Earnings - transitional impact of Ind AS 116	-	-	(17)	-
Balance carried forward	562	522	678	646

1. Total Income

Standalone

Your Company's Total Income during the year under review was ₹775 crore as compared to ₹757 crore in the Previous Year.

Consolidated

Consolidated Total Income during the year under review was ₹1987 crore as compared to ₹1822 crore in the Previous Year, registering an increase of 9% over the previous year.

2. Profits

Standalone

Profit before Tax for the year 2019-20 was ₹85 crore as against ₹98 crore in the previous year. Profit after Tax for the year 2019-20 stood at ₹73 crore as against ₹72 crore in the previous year.

Consolidated

On a consolidated basis, Profit before Tax for the year 2019-20 was ₹200 crore as against ₹170 crore in the previous year. Profit after Tax (net of minority interest) for the year 2019-20 stood at ₹82 crore as against ₹69 crore in the previous year.

3. Dividend

The Board of Directors have recommended a Dividend of ₹1.50 per share (previous year ₹1.50 per share) on face value of ₹1 each for the Financial Year ended March 31, 2020. The total Dividend outgo amounts to ₹28.02 crore (previous year ₹28.02 Crore, excluding Dividend Distribution Tax).

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the 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 www.tatacoffee.com.

4. Share Capital

The paid-up Equity Share Capital of the Company as on March 31, 2020 was ₹18.68 crore comprising of 18,67,70,370 equity shares of ₹1 each. During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. The Company has paid Listing Fees for the Financial Year 2020-21, to each of the Stock Exchanges, where its equity shares are listed.

5. Material changes and commitment – if any, affecting financial position of the Company from the end of the Financial Year till the date of this Report:

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report, except for the impact arising out of COVID-19, which is detailed elsewhere in this Report.

6. COVID-19 and its impact

The Directors have been closely reviewing with the Management, the impact of COVID-19 on the Company. Your Company had to temporarily suspend operations at its plants and locations as per the directives of the Government and keeping in mind the paramount need of safety of the employees. The operations, though in a scaled down manner, have since commenced after obtaining permissions from the authorities concerned and all safety measures including social distancing are being followed. The dispatches to customers' have also recommenced. The Company's products viz., Coffee, Tea and Pepper are meant for daily consumption in households and 'out-of-home'. The Management is in constant touch with its customers on the evolving situation and are making all efforts to service their requirements with minimal delays. The Company's

Wholly-owned Subsidiary viz., Tata Coffee Vietnam Company Limited, at Vietnam, is operating smoothly without any disruptions, as on date. The situation created by Covid-19 continues to hold some uncertainties for the future; however, the Board and the Management will do it's best to address the same, as the situation evolves, in the interests of all stakeholders of the Company.

7. Global Coffee Scenario

For the Financial Year 2019-20, world coffee production was estimated at 168.86 million bags, a decrease of 0.8% as compared to the previous Financial Year 2018-19. Arabica production was estimated 3.9% lower at 96.37 million bags while Robusta output was estimated 3.7% higher at 72.5 million bags.

World coffee consumption was estimated at 169.34 million bags, 0.7% higher than in 2018-19, following a year of exceptional consumption growth in Europe and North America.

In coffee year 2019-20, a deficit of 0.48 million bags is currently estimated; however, COVID-19 presents considerable downside risk to global coffee consumption.

As of March 31, 2020, New York (ICE) May terminal for Arabica settled at 119.55 c/lb, while it was at 94.50 c/ lb as of March 31, 2019.

As of March 31, 2020, London Robusta May futures settled at USD 1186/MT, while it was at USD 1456/MT as of March 31, 2019.

The emergence of COVID-19 pandemic in the first calendar quarter of 2020 poses amongst other things, a threat to global coffee demand – which was growing consistently at a rate of about 2.0% to 2.5% annually for the past several years. In particular, the 'out-of-home' coffee consumption would be impacted for some time as governments across the globe implement social distancing and lockdowns as tools to contain the pandemic. This contraction of demand growth holds challenges for the agricultural supply side around the world, where farmers have been struggling to cope up with prices trading below cost of production in several origins already.

8. Company's Performance

A. Plantations

Coffee

During the Financial Year 2019-20, the Company has harvested a Robusta crop of 4,405 MT as against

Board's Report [Contd.]

6,030 MT in the previous year. In the case of Arabica, a production of 1,425 MT has been achieved as against 1,557 MT in the previous year. The Coffee harvesting operations of the Company for the season 2019-20 has been predominantly completed as per schedule and gleaning operations are currently in progress. With the timely completion of the crop harvest, post-harvest operations such as handling, white stem borer control, pepper watering, blossom / backing irrigation for Robusta crop, etc., are in progress.

During the Pre-monsoon i.e., period up to May / June 2019, the Coorg region experienced a drought like situation, and thereafter there was excess rainfall during August - October 2019, recording almost 50% of the annual rainfall. This has resulted in excess moisture retention and 'wet foot' condition leading to improper carbohydrate metabolism.

Bean development and hardening were hindered with the continuous downpour during bean filling stages, a physiological phenomenon leading to increased abnormalities in the bean, i.e., more percentage of pea berries in the harvested crop thereby resulting in drop in the estimated Coffee crop.

The Company carried out an assessment with assistance from the technical expert from the Research Institute, Coffee Board, who concluded that this was an abnormal physiological phenomenon that had impacted the entire Coffee Industry.

Tea

During the Financial Year 2019-20, the Company produced 4.874 Million kgs of Tea as against 4.879 million kgs in the previous year. The turnover during the year was ₹59 crore as against ₹66 crore in the last year. The drop in crop is attributable to delayed pre-monsoon showers in the month of March and April 2019. Further, the impact of pest infestation during Q2 and Q3 to the tune of 74 % had severely impacted the crop. During the year, the South Indian sale averages dropped by 5.4%, as the demand was low for plain CTC teas and the influx of North Indian teas, due to production being higher in North India.

Pepper

During the year, the Company achieved Pepper production of 123 MT from the previous season 2018-19 and 652 MT for the Season Crop 2019-20

as of March 31, 2020, thereby taking the overall Production to 775 MT for the year as against 597 MT harvested during the previous Financial Year 2018-19. Emergence of catkins / flowering during May / June is very critical for 100% crop setting. Pre-monsoon rainfall was delayed till June 2019 in the North Coorg and Hassan Division Estates, when compared to South Coorg Estates, which extended the emergence of catkins. Late catkin initiation in the month of August / September resulted in sparse setting of Crop and the corns not developing fully, resulting in increased light berries which was observed only on harvest. This has resulted in drop in the anticipated crop which is a physiological phenomenon arising out of the unfavorable weather conditions.

The Company has initiated various steps to further enhance the production base of Pepper in the coming years. Pepper watering during summer months is a continuous process to protect Pepper vines from moisture stress.

Kushalnagar - Coffee Curing Works & Pepper Processing Unit

The Company's processing centre at Kushalnagar is an important cog in the wheels of Tata Coffee. Kushalnagar Works is a processing hub for the Company's entire produce of Coffee and Pepper. It also houses two roasting units for Tata Coffee Grand and Tata Starbucks. The Unit is certified for ISO 9001:2015, UTZ, SA-8000:2014, Rain Forest Alliance, Organic Coffee processing, and Café Practices. During the Financial Year 2019-20, 11,042 MT of coffee was processed.

During the year, the Pepper Processing Unit has graded & processed 601 MT of Pepper as compared to 736 MT in the previous year. The Unit is certified for organic processing and certified under FSSC. 22000 4.1 and SA 8000:2014 [Quality Management Systems].

Green Coffee Exports

During the Financial Year 2019-20, your Company exported 6,701 MT of coffee as against 5,769 MT in the previous year. Your Company continues to focus on growth, through Premium Differentiated Coffees and today differentiated coffee is 47% of the Company's portfolio. The Company's efforts at forging relationships with some of the most well-known roasters globally and finding niche markets for its coffee continue to be strategic priorities for us.

Ama Plantation Trails

Ama Plantation Trails has recorded an Income of ₹4.1 crore for the Financial Year under review with an EBIT of ₹1.1 crore. While the Income was lower than Budget, but it was higher than the previous year. EBIT has been impacted due to lower tourist flows and cancellations due to floods in Q2FY20 as well as at the end of the year due to COVID-19. As on date, the operations of Ama Plantation Trails are closed.

B. Instant Coffee Operations

The Financial Year 2019-20 saw the Instant Coffee Division achieving improved sales weathering global headwinds, enhanced competition and the impact of the COVID-19 pandemic towards the end of the year. The new state-of-the-art 5,000 MT per annum Freeze Dried Coffee Plant in Vietnam, managed by the Wholly Owned Subsidiary of the Company, is fully operational producing high-quality Instant Coffee. The manufacturing units at Theni and Toopran continued to set new benchmarks in Energy management, natural resource management, Gender diversity, Employee engagement, Safety and Sustainability, and have won many awards and certifications during the year pertaining to safety, employee welfare, 'Six Sigma' in operations etc.

The Company derives its competitive edge from the ability to provide customised solutions and new products. Many of the Company's customers have significantly maintained and improved their market standings across the Globe. This year too, the Company witnessed continued diversification of sales across geographies and broad - basing of its customer profile.

Tata Coffee Grand

The Company manufactures 'Tata Coffee Grand', a Filter coffee variant for sales in the domestic market, which is being distributed and marketed by your Company's Holding Company, Tata Consumer Products Limited. The Brand has received positive response in the market. It is a blend of Roasted & Ground Coffee laced with Chicory. During the year, the Company launched a limited edition, 1868 blend comprising the best of washed Arabicas Tata Coffee had to offer, as part of the overall Tata Coffee portfolio.

C. Starbucks Roastery

The Unit has processed 209 MT during the current year. The Unit produces single origin coffees of India, Kenya and Sumatra. The Unit caters exclusively to

the requirements of Tata Starbucks outlets in India from its state-of-the-art Coffee Roasting Facility at Kushalnagar Works. An additional roasting line was augmented during the year to cater to the enhanced requirements of Tata Starbucks. The Unit is certified under FSSC 22000 Version 4.1, ISO 9001:2008 (Quality Management System) FSSAI (Food Safety and Standards Authority of India), SA-8000:2014, and Ethical Sourcing.

9. Awards

During the year under review, the Company has received the following awards:

(i) Coffee Plantations

"Best Producer from India" award for season 2018/19 at Ernesto Illy International Coffee Awards. Tata Coffee's Sunticoppa estate emerged as a Winner for the sustainable quality. The Ernesto Illy International Coffee Award celebrates excellence in growing coffee beans of the highest quality through sustainable means to offer the best coffee to the world.

(ii) Instant Coffee Operations

1. ICD Unit at Theni, Tamil Nadu has received the following awards
 - a) EHS Assessment Award by CII-SR – a 4 Star rating from Confederation of Indian Industry
 - b) Gold Award in 'Six Sigma' competition conducted by Quality Circle Forum of India - Madurai chapter
2. ICD Unit at Toopran, Telangana, has achieved the First Position in HR awards declared by FTCCI [Federation of Telangana Chamber of Commerce]

10. Certifications:

Instant Coffee Units, Theni & Toopran

- a. Theni ICD Unit was certified by British Retail Consortium V8 and the same was re-certified for Integrated Management System (IMS) during 2019-20.
- b. Toopran ICD Unit was certified for FSSC 22000 Ver 4.1, and further it was upgraded to FSSC 22000 Ver 5.1.

11. Capital Expenditure

During the Financial Year 2019-20, ₹40 crore was incurred towards capital expenditure primarily on account of welfare, modernization, upgradation, replanting and other programmes undertaken in the various units of the Company.

Board's Report [Contd.]

12. Subsidiary Companies and Consolidated Financial Statements

Subsidiary Companies

I. Consolidated Coffee Inc. (CCI) and Eight O' Clock Holdings Inc.

CCI is the Holding Company of Eight O' Clock Holdings Inc and Eight O' Clock Holdings Inc is the Holding Company of Eight O' Clock Coffee Company. The Consolidated Net Profit of CCI after taxes was ₹117 crore as compared to ₹76 crore for the previous year.

II. Eight O' Clock Company (EOC)

The Total Income of EOC during the Financial Year 2019-20 was ₹1121 crore (USD 159 Million) compared to ₹1101 crore (USD 158 Million) in the previous Financial Year. The Bag coffee volumes were marginally higher compared to previous year and K-cup volumes were flat. EOC increased its spend in trade marketing in the background of intense competition. EOC's private label business also grew both in volumes, turnover and operating profits. EOC continues to focus on innovations with a healthy pipeline and is also investing in new capabilities on e-commerce.

III. Tata Coffee Vietnam Company Limited

The Company's Wholly Owned Subsidiary, Tata Coffee Vietnam Company Limited (TCVCL), which commissioned Freeze-dried Coffee Plant in Vietnam during May 2019 has successfully stabilised its operations and has continuously improved its capacity utilization quarter on quarter, through the year.

TCVCL has well utilised its pilot plant operations to create customised blends and to streamline its order books. This process helped the Company to demonstrate its customer focused approach and to build long term relationships. As a way forward, steps have been initiated in creating niche & unique blends and premiumization.

Operational excellence at TCVCL Plant is driven through setting high standards on Human & Food Safety and Sustainability. The Plant has been certified for LEED (Leadership in Energy and Environmental Design), BRC (British Retail Consortium), Halal, Kosher, UTZ and RFA certifications to suit and support its customers changing requirements.

Performance of Subsidiaries

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of Financial Statements of the Company's subsidiaries in Form AOC - 1 is annexed as **Annexure – A**. There has been no material change in the nature of business of the Subsidiaries.

Further, pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate Audited Financial Statements in respect of Subsidiaries, are available on the website of the Company at www.tatacoffee.com.

The Company does not have any Associate or Joint Venture Companies. Further, the Company has adopted a policy for determining the criteria of Material Subsidiaries which can be viewed on the Company's website at www.tatacoffee.com.

13. Directors' Responsibility Statement

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal Auditors, Statutory Auditors and Secretarial Auditors, including the Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by 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 effective during Financial Year 2019-20.

Accordingly, pursuant to Sections 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i. in the preparation of the annual accounts for the Financial Year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. they have prepared the Annual Accounts for the Financial Year ended March 31, 2020 on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

14. Directors and Key Managerial Personnel

Pursuant to the provisions of Section 152 of the Act, Mr. R. Harish Bhat (DIN: 00478198) retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

Based on the recommendation of the Nomination and Remuneration Committee and approval of the same by the Board at its meeting held on May 5, 2020, the Independent Directors viz., Mr. V. Leeladhar, Ms. Sunalini Menon and Mr. Siraj Azmat Chaudhry being eligible for re-appointment as Independent Directors for the second term of their office, having offered themselves for re-appointment, are proposed to be re-appointed as Independent Directors for a term as detailed hereunder. Resolution(s) in this behalf is set out at Item Nos. 5, 6 and 7 of the Notice of Annual General Meeting, for Members' approval.

Name of the Director	Term of re-appointment	
	From	To
Mr. V. Leeladhar (DIN: 02630276)	August 3, 2020	December 6, 2021
Ms. Sunalini Menon (DIN: 06983334)	August 3, 2020	October 31, 2023
Mr. Siraj Azmat Chaudhry (DIN: 00161853)	August 3, 2020	August 2, 2025

At the aforesaid meeting, the Board of Directors appointed Mr. Sunil A. D'Souza as an Additional Director (Non-executive Non-Independent) of the Company with effect from May 5, 2020. Pursuant to the provisions of Section 161 of the Act, Mr. D'Souza holds office till the date of the ensuing Annual General Meeting and is eligible for appointment as Director of the Company. A Resolution in this behalf is set out at Item No. 8 of the Notice of Annual General Meeting, for Members' approval.

Further, the Board of Directors at the meeting held on May 5, 2020, subject to the approval of the shareholders in the ensuing Annual General Meeting, re-appointed Mr. K. Venkataramanan, as Executive Director – Finance & CFO of the Company, not liable to retire by rotation, for a further period of two (2) years with effect from October 25, 2020, on terms of remuneration as recommended by the Nomination and Remuneration Committee. A Resolution in this behalf is set out at Item No. 9 of the Notice of Annual General Meeting, for Members' approval.

During the year under review, Mr. S. Santhanakrishnan retired as Independent Director effective July 20, 2019, after completing his term of appointment. Mr. L. Krishnakumar resigned as Director of the Company, effective May 5, 2020. The Board places on record its appreciation for the invaluable contributions and guidance provided by Mr. Santhanakrishnan and Mr. Krishnakumar, during their stint with the Company as Directors.

All the Independent Directors of the Company have given their declarations to the Company under Section 149(7) of the Act that they meet the criteria of independence as provided under Section 149(6) of the Act read with Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("the Listing Regulations"). There has been no change in the circumstances affecting their status as Independent Directors of the Company.

In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

The Company does not have any pecuniary relationship or transactions with any of its Directors, other than payment of remuneration / Incentive to the Executive Directors and payment of sitting fees, commission to Non-executive Directors and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company:

- Mr. Chacko Purackal Thomas, Managing Director & CEO
- Mr. K. Venkataramanan, Executive Director – Finance & CFO
- Mr. N. Anantha Murthy, Head – Legal & Company Secretary

Board's Report [Contd.]

15. Board and Committee Meetings

An Annual Calendar of Board and Committee Meetings scheduled during the year were circulated in advance to the Directors.

The Board has constituted an Audit Committee comprising of Mr. V. Leeladhar as Chairman and Ms. Sunalini Menon, Mr. Siraj Azmat Chaudhry and Dr. P. G. Chengappa as its Members. There have been no instances during the year where recommendations of the Audit Committee were not accepted by the Board. The details of the composition of the Board and its Committees and the number of meetings held and attendance of Directors at such meetings are provided in the Corporate Governance Report, which forms part of the Annual Report.

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

16. Governance Guidelines

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines encompasses 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. It also covers aspects relating to Nomination, Appointment, Induction and Development of Directors, Directors' Remuneration, Subsidiary oversight, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

17. Policy on Director's Appointment and Remuneration and other details

(a) Procedure for Nomination and Appointment of Directors

The Nomination and Remuneration Committee (NRC) has been mandated to oversee and develop competency requirements for the Board based on the industry requirements and business strategy of the Company. The NRC reviews and evaluates the resumes of potential candidates for appointment of Directors and meets them prior to making recommendations of their nomination to the Board. Specific requirements for the position, including expert knowledge expected, are communicated to the appointee.

On the recommendation of the NRC, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and

other employees pursuant to the provisions of the Act and the Listing Regulations. The remuneration determined for Executive / Independent Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Non-Executive Directors are compensated by way of profit-sharing commission and the criteria being their attendance and contribution at the Board / Committee Meetings. The Executive Directors are not paid sitting fees; the Non-Executive Directors are entitled to sitting fees for attending the Board / Committee Meetings.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees are in accordance with the Remuneration Policy of the Company. The Company's Policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act and Regulation 19 of the Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of the Annual Report.

(b) Familiarization / Orientation program for Independent Directors

The Independent Directors attend a Familiarization / Orientation Program on being inducted into the Board. Further, various other programmes are conducted for the benefit of Independent Directors to provide periodical updates on regulatory front, industry developments and any other significant matters of importance. The details of Familiarization Program are provided in the Corporate Governance Report and are also available on the Company's website. The Company issues a formal letter of appointment to the Independent Directors, outlining their role, function, duties and responsibilities, the format of which is available on the Company's website at www.tatacoffee.com.

18. Annual Evaluation of Board Performance and Performance of its Committees and of Directors

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees on the evaluation criteria defined by Nomination and Remuneration Committee (NRC) for performance evaluation process of the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter-alia the structure of the Board, meeting of the Board, functions of the Board, degree of fulfilment of key responsibilities, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

The Committees of the Board were assessed on the degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of Meetings. The Directors were evaluated on aspects such as attendance, contribution at Board / Committee Meetings and guidance / support to the Management outside Board / Committee Meetings.

The performance assessment of Non-Independent Directors, Board as a whole and the Chairman were evaluated in separate meetings of Independent Directors. The same was also discussed in the meetings of NRC and the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

19. Internal Control Systems & their adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

20. Reporting of Frauds

There were no instances of frauds during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or the Board under Section 143(12) of the Act and the rules made thereunder.

21. Transfer to Investor Education and Protection Fund

a) Transfer of Unclaimed Dividend / Debenture Redemption / Debenture Interest to IEPF

As required under Section 124 of the Act, the Unclaimed Dividend amount aggregating to ₹35,94,445 and Unclaimed Interest on Debentures including Debenture Redemption amount aggregating to ₹3,39,643 lying with the Company for a period of seven years were transferred during the year 2019-20, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

b) Transfer of shares to IEPF

As required under Section 124 of the Act, 209,226 equity shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by the Company to the IEPF Authority during the Financial Year 2019-20. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

22. Related Party Transactions

All Related Party Transactions, that were entered during the Financial Year under review, were on an arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant Related Party Transactions made by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations.

All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature or when the need for these cannot be foreseen in advance.

None of the transactions entered with Related Parties fall under the scope of Section 188(1) of the Act. Details of transactions with Related Parties as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure - B** in Form AOC - 2 and forms part of this Report.

The Company has adopted a Policy for dealing with Related Party Transactions. The Policy as approved by the Board may be viewed on the Company's website at the web link: https://tatacoffee.com/sites/default/files/collaterals/investors/Related_Party_Transaction_Policy.pdf.

23. Corporate Governance and Management Discussion & Analysis Report

Your Company is in compliance with all the applicable provisions of Corporate Governance as stipulated under Chapter IV of the Listing Regulations. A detailed report on Corporate Governance as required under the Listing Regulations is provided in a separate section and forms part of the Annual Report. Certificate from a Practising Company Secretary regarding compliance with the conditions stipulated in the Listing Regulations forms part of the Corporate Governance Report.

Board's Report [Contd.]

The Management Discussion & Analysis Report as required under the Listing Regulations is presented in a separate section and forms part of the Annual Report.

24. Auditors

(i) Statutory Auditors

The Members at the 73rd Annual General Meeting of the Company held on July 26, 2016, had appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) as the Statutory Auditor of the Company to hold office for a term of five years i.e., from the conclusion of the said Annual General Meeting until the conclusion of 78th Annual General Meeting of the Company to be held in 2021, subject to ratification of their appointment by the shareholders, every year. The Ministry of Corporate Affairs vide its Notification dated May 7, 2018, had dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

(ii) Cost Auditors

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s. Rao, Murthy & Associates, Cost Accountants, as Cost Auditor of the Company for conducting the Cost Audit for the Financial Year 2020-21, on a remuneration as mentioned in the Notice of 77th Annual General Meeting.

A Certificate from M/s. Rao, Murthy & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

A resolution seeking Member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 77th Annual General Meeting and the same is recommended for your consideration and ratification.

(iii) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the rules made there under, the Company

had appointed M/s. BMP & Co. LLP, Company Secretaries, to undertake the Secretarial Audit of the Company for the year ended March 31, 2020. The Secretarial Audit Report issued in this regard is annexed as **Annexure - C**.

The Auditors' Report and the Secretarial Audit Report for the Financial Year ended March 31, 2020, do not contain any qualifications or reservations or adverse remarks.

25. Risk Management

The Company has constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) approving the Company's Risk Management Framework and (b) Overseeing all the risks that the organization faces such as strategic, financial, liquidity, security, regulatory, legal, reputational and other risks that have been identified and assessed to ensure that there is a sound Risk Management Policy in place to address such concerns / risks. The Risk Management process covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlight risks associated with chosen strategies.

The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the Listing Regulations.

26. Particulars of Loans, Guarantees and Investments

The details of Loans and Investments and guarantees covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements forming part of Annual Report.

27. Fixed Deposits

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

28. Employees Welfare

The Company continues to focus on welfare and improving the quality of lives of its employees by providing educational assistance to their children, employee wellness sessions, periodic occupational health checks, merit scholarships to employee children, spiritual peace by yoga classes,

crèche and child care facilities, transport at subsidised rate to school going children, supply of provisions at cost and other home appliances on instalment basis through co-operative stores and providing housing loan interest subsidy & interest free loans for the employee family wellness.

Apart from the welfare initiatives implemented during last year, the following were the focus areas in the welfare initiatives during Financial Year 2019-20:

- Improvement in housing infrastructure for Plantation workers by constructing new labour line, new attached toilets and bathrooms, wastewater soak pits etc.,
- Installation of Green Oxyguard waste incinerator near the labour lines to maintain waste management
- Pre-employment medical check-up for all the seasonal casual workers
- Creating awareness for all seasonal casual workers through an animated movie in the local language. The movie was made to highlight the statutory / non-statutory benefits available to workmen from TCL, various welfare amenities, safety measures etc.,
- Disposal of plastic waste accumulated in the estates through a licensed vendor for recycling of waste
- Awareness programme on COVID-19 by the Medical / Welfare / Safety Departments in all Estates
- Provision of sanitisers and masks to all employees as a safeguard as well to prevent spread of COVID-19

29. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace

The Company has zero tolerance for sexual harassment at workplace and has adopted 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 made thereunder. The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has revisited the Internal Complaints Committee members and emphasised on the roles and responsibilities expected from the members. Training programmes were conducted around locations to strengthen the awareness among the Committee members.

The Company continuously invests in enhancing the awareness on the Policy across its workforce. During multiple engagements / assessments, it was noticed that the retention of POSH/TCOC related awareness is low among blue collar workforce, which is complemented with the high inflow of migratory and casual workforce during the harvesting season.

The Company also conducts a periodic (bi-annual) awareness plan across the organization on Ethics, TCOC, POSH & Whistle Blower policy involving workmen as facilitators. Facilitation documents in the form of brochures and pocket cards in multiple languages for each workman were created and distributed at each of the locations.

As process owners, the Unit Managers made batches of 20 each (10 male and 10 female) and covered the first batch with the One Page Information. In turn, the individuals of first batch oriented / communicated to the next batch of 20 from same gender in their native language. The process from one batch to the other continues till all workmen are covered in the Unit. To ensure the effectiveness of the delivery, process owner / Unit Manager used a case study based mock test for reinforcing the learnings for all batches.

During the Financial Year 2019-20, the Company received six complaints on sexual harassment, which have been disposed of and appropriate actions taken.

30. Whistle Blower Policy / Vigil Mechanism

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors' and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees, who avail of the mechanism and provides to employees' direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at www.tatacoffee.com.

31. Corporate Social Responsibility (CSR)

The Company has a Policy on Corporate Social Responsibility and the same has been posted on the website of the Company at www.tatacoffee.com. The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure - D**, which forms part of this Report.

Board's Report [Contd.]

32. Business Responsibility Report

As required under Regulation 34 of the Listing Regulations, the Business Responsibility Report is provided in a separate section and forms part of the Annual Report.

33. Extract of Annual Return

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in the prescribed form i.e., Form MGT-9 is annexed as **Annexure – E**, which forms part of this Report.

34. Particulars of Employees and Remuneration

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any Shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company upto the date of the 77th Annual General Meeting.

The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure – F** and forms part of this Report.

35. Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules 2014 is annexed as **Annexure – G** and forms part of this Report.

36. Significant and Material Orders passed by the Regulators or Courts

There are no significant or material orders which were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's Operations in future.

37. Green Initiatives

In commitment to keep in line with the Green Initiatives and going beyond it, to create further new green initiatives, electronic copy of the Notice of 77th Annual General Meeting of the Company including the Annual Report for FY 2019-20 are being sent to all Members whose e-mail addresses are registered with the Company / Depository Participant(s).

38. Appreciation

Your Directors take this opportunity to thank the Parent Company – Tata Consumer Products Limited, the employees, customers, vendors, investors of the Company and the communities in which the Company operates, for their unstinted co-operation and valuable support extended during the year.

Your Directors also thank the Government of India, Government of various States in India and Government Departments / Agencies concerned for their co-operation.

Your Directors appreciate and value the contributions made by each and every member of the Tata Coffee family.

For and on behalf of the Board

Place: Bengaluru
Date: May 5, 2020

R. HARISH BHAT
Chairman

Annexure - A**Form No. AOC – 1**

(Pursuant to first Proviso to Sub-Section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures**PART "A": SUBSIDIARIES**

₹ in crore

1	Name of the Subsidiary	Consolidated Coffee Inc.	Eight O'Clock Holdings Inc.	Eight O'Clock Coffee Company	Tata Coffee Vietnam Company Limited
2	Date since when subsidiary was acquired/formed	July 10, 2006	July 10, 2006	July 10, 2006	March 28, 2017
3	"Reporting currency and Exchange rate as on the last date of the relevant financial year in case of Foreign Subsidiaries"	US Dollar / ₹75.67	US Dollar / ₹75.67	US Dollar / ₹75.67	US Dollar / ₹75.67
4	Average yearly rate for P&L items translation	US Dollar / ₹70.50	US Dollar / ₹70.50	US Dollar / ₹70.50	US Dollar / ₹70.50
5	Share Capital	453.26	453.26	453.26	94.59
6	Reserves & Surplus	1.17	(0.54)	240.77	(28.52)
7	Total Assets	455.68	453.58	1803.35	541.37
8	Total Liabilities	1.24	0.86	1109.31	475.30
9	Investments	453.26	453.26	-	-
10	Turnover	-	-	1119.19	125.07
11	Profit before Taxation	102.76	104.24	149.26	(15.35)
12	Provision for Taxation	(0.31)	-	44.23	-
13	Profit after Taxation	103.07	104.24	105.02	(15.35)
14	Proposed Dividend	-	-	-	-
15	% of Shareholding	50.08	-	-	100.00

Notes:

1. Reporting period of the Subsidiaries is the same as that of the Company.
2. Balance Sheet items have been translated at the exchange rate as on the last day of the relevant Financial Year.
3. The numbers reported above are based on individual financial statements prepared under local GAAP.
4. Part B of the Annexure is not applicable as there are no Associate Companies / Joint ventures of the Company as on March 31, 2020.
5. Eight O' Clock Holdings Inc. and Eight O' Clock Coffee Company are subsidiaries of Consolidated Coffee Inc.

For and on behalf of the Board

Place: Bengaluru
Date: May 5, 2020**R. HARISH BHAT**
Chairman

Board's Report [Contd.]

Annexure - B

Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Tata Coffee Limited (the "Company") has not entered into any contract / arrangement / transaction with its related parties which are not in ordinary course of business or at arm's length during the Financial Year 2019-20. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts / arrangements / transactions: Not Applicable
- (c) Duration of the contracts / arrangements / transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts / arrangements / transactions: Not Applicable
- (c) Duration of the contracts / arrangements / transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board, if any: Not Applicable
- (f) Amount paid as advances, if any: Not Applicable

For and on behalf of the Board

Place: Bengaluru
Date: May 5, 2020

R. HARISH BHAT
Chairman

Annexure - C

FORM No. MR-3 SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED MARCH 31, 2020

(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 Coffee Limited
CIN: L01131KA1943PLC000833
Pollibetta, Kodagu 571215

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Coffee Limited (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2020 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2020 according to the provisions 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 Byelaws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 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 (Issue of Capital and Disclosures Requirements) Regulations, 2009; – Not Applicable as the Company did not issue any security during the Financial Year under review.
 - d. The Securities and Exchange Board of India (Share Benefits Employee Benefits) Regulations, 2014; - Not Applicable as the Company does not have Employee Stock Option Scheme for its employees;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – Not applicable as the Company has not issued any debt securities during the Financial Year under review;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the Financial Year under review;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – Not applicable as the Company has not delisted its equity shares from any stock exchange during the Financial Year under review; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - Not Applicable as the Company has not done any buyback of its securities during the Financial Year under review.
- vi. The following key / significant laws as specifically applicable to the Company: -
 - 1) The Plantation Labour Act, 1951
 - 2) The Coffee Act, 1942 and the Rules made thereunder
 - 3) The Tea Act, 1953 & Rules made thereunder
 - 4) The Coffee Market Expansion Act, 1942

Board's Report [Contd.]

- 5) The Factories Act, 1948
- 6) The Legal Metrology Act, 2009 and Rules made thereunder
- 7) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
- 8) The Water (Prevention and Control of Pollution) Act, 1974
- 9) The Water (Prevention and Control of Pollution) Cess Act, 1977
- 10) The Air (Prevention and Control of Pollution) Act, 1981
- 11) The Environment (Protection) Act, 1986
- 12) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
- 13) Food Safety & Standards Act, 2006, and Food Safety & Standards Rules, 2011
- 14) The Spices Board Act, 1986 and the Rules, Regulations made thereunder;
- 15) The Indian Forest Act, 1927
- 16) The Indian Wildlife Protection Act, 1972
- 17) The Arms Act, 1959 and the Arms Rules 1962
- 18) The Electricity Act, 2003
- 19) The Contract Labour (Regulation and Abolition) Act, 1970 & its Central Rules/ concerned State Rules.
- 20) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, FPF Schemes.
- 21) The Employees' State Insurance Act, 1948 & its Central Rules / concerned State Rules.
- 22) The Minimum Wages Act, 1948 & its Central Rules/ concerned State Rules/ Notification of Minimum Wages applicable to various class of industries/ Trade.
- 23) The Payment of Wages Act, 1936 & its Central Rules/ concerned State Rules if any.
- 24) The Payment of Bonus Act, 1965 & its Central Rules/ concerned State Rules if any.
- 25) The Payment of Gratuity Act & its Central Rules/ concerned State Rules if any.
- 26) The Maternity Benefit Act, 1961 & its Rules.
- 27) The Equal Remuneration Act, 1976.
- 28) The Employee's Compensation Act, 1923
- 29) The Karnataka Shops & Establishments Act, 1961 and Rules made thereunder
- 30) Information Technology Act, 2000
- 31) The Industrial Dispute Act, 1947
- 32) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- 33) Tamil Nadu Industrial Establishments (National & Festival Holidays) Act, 1958 read with The Tamil Nadu Industrial Establishments (National & Festival Holidays) Rules, 1959.
- 34) Tamil Nadu Labour Welfare Fund Act, 1972 read with Tamil Nadu Labour Welfare Fund Rules, 1973

We have also examined compliance with the applicable clauses/ regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that during the audit period, there were no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's affairs.

For **BMP & Co. LLP**,
Company Secretaries

Pramod S M
Partner
FCS No: 7834
CP No: 13784

Place: Bengaluru
Date: May 5, 2020
UDIN: **F007834B000201621**

This report to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,
The Members,
Tata Coffee Limited
CIN: L01131KA1943PLC000833
Pollibetta, Kodagu 571215

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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. We believe that the

processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our 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.
7. Due to the lockdown the soft copies of the documents were only verified for the last quarter.
8. We further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit and also on the review of quarterly compliance report issued by the respective departmental heads/Company Secretary/ Managing Director & CEO, taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.
9. We further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **BMP & Co. LLP**,
Company Secretaries

Pramod S M
Partner
FCS No: 7834
CP No: 13784

Place: Bengaluru
Date: May 5, 2020
UDIN: **F007834B000201621**

Board's Report [Contd.]

Annexure - D

ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY

- 1. A brief outline of the Company's Corporate Social Responsibility (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**

The focus areas of the CSR Policy of the Company are as follows:

- a) Reduction of carbon and water footprint through inclusive and sustainable business practices.
- b) Renewable Energy, Water Conservation & Waste Management to support Environmental Sustainability.
- c) Ensuring protection and restoration of wildlife within the scope of operations.
- d) Undertaking programs focused on Education and Skill Development, Healthcare & Gender Equality.
- e) Actively participating in programs for Volunteering and Affirmative Actions.

The CSR Policy can be viewed on the Company's website at www.tatacoffee.com

- 2. The Composition of CSR committee:**

Ms. Sunalini Menon, Chairperson (Independent Non-Executive Director)

Mr. V. Leeladhar (Independent Non-Executive Director)

Mr. Siraj Azmat Chaudhry (Independent Non-Executive Director)

Mr. Chacko Purackal Thomas* (Managing Director & CEO)

*Appointed as a member of the Committee with effect from April 1, 2019

- 3. Average Net Profit of the Company for last 3 Financial Years**

The average Net Profit for the last three years is ₹67.63 crore.

- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)**

The Company is required to spend ₹1.35 crore towards CSR for the Financial Year 2019-20.

- 5. Details of CSR spent during the Financial Year:**

- a) Total amount spent for the Financial Year: ₹1.36 crore
- b) Amount unspent, if any: Nil
- c) Manner in which the amount spent during the Financial Year: Refer to Annexure to this Report

- 6. In case the Company has failed to spend the two per cent of the average net profit of the last three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: Not Applicable**

- 7. We hereby declare that implementation and monitoring of the CSR policy are in compliance with the CSR Objectives and Policy of the Company.**

Place: Bengaluru

Date: May 5, 2020

Chacko Purackal Thomas

Managing Director & CEO

Sunalini Menon

Chairperson – CSR Committee

Annexure to Annual Report on CSR Activities of the Company
Manner in which amount spent during the Financial Year is detailed below

(₹ Lakh)

Sl. No.	Projects / Activities	Sector	Locations Districts (State)	Amount Outlay (Budget)	Cumulative expenditure upto reporting period	Amount spent	
						Direct	Through Implementing Agency
1	Promoting Preventive Health Care	Health	Coorg, KA* Bengaluru, KA* Theni, TN*	116.00	105.18	95.18	10.00
2	Safe Drinking Water/ Sanitation Facility	Water	Coorg, KA*	2.00	0.75	0.75	-
3	Promoting Education by providing Contributions	Education	Coorg, KA * Anamallais, TN * Bengaluru, KA* Toopran, TEL *	24.91	17.80	17.80	-
4	Ensuring Environmental Sustainability and Ecological Balance	Environment & Ecology	Coorg, KA *	-	8.18	-	8.18
5	Others	Infrastructure/ Others	Toopran, TEL* Coorg, KA *	8.80	3.68	0.68	3.00
Total				151.71	135.59	114.41	21.18

* KA - Karnataka; TN - Tamil Nadu; TEL – Telangana

Board's Report [Contd.]

Annexure – E

Form No. MGT-9
EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020
 [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:

Sl. No.	Particulars	Details
1	Corporate Identification Number (CIN)	L01131KA1943PLC000833
2	Registration Date	November 19, 1943
3	Name of the Company	Tata Coffee Limited
4	Category / Sub- Category of the Company	Public Company / Limited by Shares
5	Address of the Registered Office and Contact Details	Pollibetta, Kodagu, 571 215, Karnataka, India Ph.: + 91 80 2356 1976 / 81 Fax: + 91 80 2334 1843 E-mail: anantha.murthy@tatacoffee.com
6	Whether Listed Company?	Yes
7	Name, Address and Contact Details of Registrar and Transfer Agent, if any	TSR Darashaw Consultants Private Limited 6, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi (West), Mumbai 400 011 Tel. No.: + 91 22 6656 8484 Fax No.: + 91 22 6656 8494 E-mail: csg-unit@tsrdarashaw.com website: www.tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company: -

Sl. No.	Name & Description of Main Products / Services	NIC Code of the Product / Service	% to Total Turnover of the Company
1	Coffee	01272	18.11
2	Instant Coffee	10792	52.75

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Tata Consumer Products Limited (formerly known as Tata Global Beverages Limited) 1, Bishop Lefroy Road, Kolkata – 700 020	L15491WB1962PLC031425	Holding Company	57.48	2(46)
2	Consolidated Coffee Inc., 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	NA	Subsidiary	50.08	2(87)
3	Eight O' Clock Holdings Inc., 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	NA	Subsidiary	-	2(87)

Sl. No.	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
4	Eight O' Clock Coffee Company 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	NA	Subsidiary	-	2(87)
5	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	NA	Subsidiary	100	2(87)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 1, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
(a) Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b) Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corporate	107,359,820	0	107,359,820	57.48	107,359,820	0	107,359,820	57.48	0.00
(d) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A1)	107,359,820	0	107,359,820	57.48	107,359,820	0	107,359,820	57.48	0.00
(2) Foreign				0.00				0.00	
(a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter and Promoter Group (A1) + (A2)	107,359,820	0	107,359,820	57.48	107,359,820	0	107,359,820	57.48	0.00
(B) PUBLIC SHAREHOLDING									
(1) Institutions									
(a) Mutual Funds / UTI	4,343,145	24,980	4,368,125	2.34	4,364,451	14,480	4,378,931	2.34	0.01
(b) Financial Institutions / Banks	741,895	50,800	792,695	0.42	375,900	50,800	426,700	0.23	-0.20
(c) Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e) Insurance Companies	5,900,299	0	5,900,299	3.16	5,900,299	0	5,900,299	3.16	0.00
(f) Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00

Board's Report [Contd.]

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 1, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(g) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i) Foreign Portfolio Investors (Corporate)	40,000	0	40,000	0.02	0	0	0	0.00	-0.02
(j) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B1)	11,025,339	75,780	11,101,119	5.94	10,640,650	65,280	10,705,930	5.73	-0.21
(2) Non-Institutions									
(a) Bodies Corporate	3,262,451	56,230	3,318,681	1.78	3,253,206	47,950	3,301,156	1.77	-0.01
(b) Individuals -									
i Individual shareholders holding nominal share capital upto ₹1 lakh	42,572,476	3,642,115	46,214,591	24.74	33,671,908	1,966,410	35,638,318	19.08	-5.66
ii Individual shareholders holding nominal share capital in excess of ₹1 lakh	2,834,357	205,070	3,039,427	1.63	13,185,721	1,257,830	14,443,551	7.73	6.11
(c) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d) Any Other									
i HUF	2,281,259	0	2,281,259	1.22	2,451,323	0	2,451,323	1.31	0.09
ii Non-Resident Indian (NRI)	4,752,177	83,960	4,836,137	2.59	4,528,325	44,570	4,572,895	2.45	-0.14
iii LLP	176,020	0	176,020	0.09	408,824	0	408,824	0.22	0.12
iv Trusts	235,637	0	235,637	0.13	224,215	0	224,215	0.12	-0.01
v Clearing Members	1,946,667	0	1,946,667	1.04	1,979,466	0	1,979,466	1.06	0.02
vi Foreign Companies	3,615,125	0	3,615,125	1.94	3,604,125	0	3,604,125	1.93	-0.01
vii Director	0	0	0	0.00	0	0	0	0.00	0.00
viii Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
ix Alternate Investment Funds	260,000	0	260,000	0.14	260,000	0	260,000	0.14	0.00
x NBFCs registered with RBI	1,046,924	0	1,046,924	0.56	272,718	0	272,718	0.15	-0.41
xi IEPF A/c	1,338,963	0	1,338,963	0.72	1,548,029	0	1,548,029	0.83	0.11
Sub-total (B2)	64,322,056	3,987,375	68,309,431	36.57	65,387,860	3,316,760	68,704,620	36.79	0.21
Total Public Shareholding (B) = (B1) + (B2)	75,347,395	4,063,155	79,410,550	42.52	76,028,510	3,382,040	79,410,550	42.52	0.00
TOTAL (A)+(B)	182,707,215	4,063,155	186,770,370	100.00	183,388,330	3,382,040	186,770,370	100.00	0.00
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0.00	0	0	0	0.00	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	182,707,215	4,063,155	186,770,370	100.00	183,388,330	3,382,040	186,770,370	100.00	0.00

ii. Shareholding of Promoters'

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year April 1, 2019			Shareholding at the end of the year March 31, 2020			% 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 Consumer Products Limited (formerly known as Tata Global Beverages Limited)	107,359,820	57.48	0.00	107,359,820	57.48	0.00	0.00
		107,359,820	57.48	0.00	107,359,820	57.48	0.00	0.00

iii. Change in Promoters' Shareholding (Please specify, if there is no change)

Sl. No.	Shareholder's Name	No. of Shares at the beginning of the year April 1, 2019	% of total Shares of the Company	Cumulative Shares during the year	% of total Shares of the Company during the year
1	Tata Consumer Products Limited				
	At the beginning of the year	107,359,820	57.48	107,359,820	57.48
	At the end of the year			107,359,820	57.48

iv. Shareholding Pattern of Top 10 Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Shareholders' Name	No of Shares as on April 1, 2019	% to Capital	No of Shares as on March 31, 2020	% to Capital	Net Change in shares	Net Change % to Capital
1	Life Insurance Corporation of India	4,221,679	2.26	4,221,679	2.26	0	0.00
2	Reliance Capital Trustee Co Limited (*)	3,462,884	1.85	3,814,778	2.04	351894	0.19
3	F. Born A G	3,615,125	1.94	3,604,125	1.93	-11000	-0.01
4	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	1,491,823	0.80	1,700,889	0.91	209066	0.11
5	National Insurance Company Limited	1,133,070	0.61	1,133,070	0.61	0	0.00
6	Kashyap K Bhatt	1,033,625	0.55	1,033,625	0.55	0	0.00
7	ICICI Prudential Mutual Fund (*)	43	0.00	549,653	0.29	549610	0.29
8	Soyuz Trading Company Limited	511,741	0.27	511,741	0.27	0	0.00
9	Ganesh Srinivasan	510,000	0.27	410,000	0.22	-100000	-0.05
10	The Oriental Insurance Company Limited	383,440	0.21	383,440	0.21	0	0.00

Notes: The Equity Shares of the Company are traded on a daily basis and hence the date-wise increase / decrease in shareholding are not indicated

* Shareholding is consolidated based on Permanent Account Number (PAN) of the Shareholder concerned.

v. Shareholding of Directors and Key Managerial Personnel

None of the Directors and Key Managerial Personnel of the Company hold shares in the Company.

Board's Report [Contd.]

V. INDEBTEDNESS:

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

(₹ in Lakh)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	8790.28	-	139.59	8929.87
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	8790.28	-	139.59	8929.87
Change in Indebtedness during the Financial Year				
i) Addition			72.03	72.03
ii) Reduction	1687.56	-		1687.56
Net Change	1687.56	-	72.03	1615.53
Indebtedness at the end of the Financial Year				
i) Principal Amount	7102.72	-	211.62	7314.34
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	7102.72	-	211.62	7314.34

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Director and / or Manager:

(₹ in Lakh)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Mr. Chacko Purackal Thomas (Managing Director & CEO)	Mr. K. Venkataramanan (Executive Director – Finance & CFO)	
1	Gross Salary			
	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961H	156.67	123.50	280.17
	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	8.97	7.09	16.06
	Profits in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	80.00	58.00	138.00
5	Others (contribution to Retiral funds)	17.50	14.07	31.57
	Total (A)	263.14	202.66	465.80
	Ceiling as per the Act (@10% of profits calculated under Section 198 of the Companies Act, 2013			740.00

B. Remuneration to Other Directors**1. Independent Directors**

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr.S. Santhanakrishnan	Ms. Sunalini Menon	Mr. V. Leeladhar	Mr. Siraj Azmat Chaudhry	Dr. P. G. Chengappa	
		1	Fee for attending Board and Committee Meetings	2.55	5.25	6.60	
2	Commission (2019-20) payable in FY 2020-21	10.00	15.50	21.00	16.00	11.50	74.00
3	Others, please specify	-	-	-	-	-	-
Total (B1)		12.55	20.75	27.60	21.40	16.60	98.90

2. Non-Executive Directors

Sl. No.	Particulars of Remuneration	Name of Director		Total Amount
		Mr. R. Harish Bhat	Mr. L. Krishnakumar	
		1	Fee for attending Board and Committee Meetings	
2	Commission (2019-20) payable in FY 2020-21	-	-	-
3	Others, specify	-	-	-
Total (B2)				4.00
Total Managerial Remuneration (B1) +(B2)				102.90
Total Sitting Fees				28.90
Total Commission				74.00
Overall Ceiling as per the Act for payment of Commission to Non-Executive Directors for the Financial Year 2019-20				74.00

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

Sl. No.	Particulars of Remuneration	Company Secretary Mr. N. Anantha Murthy
1	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	40.54
	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	1.30
	Profits in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	-
2	Stock Option	NA
3	Sweat Equity	NA
4	Commission / Bonus	10.00
5	Others (contribution to Retiral funds)	4.52
Total		56.36

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

Board's Report [Contd.]

Annexure – F

PARTICULARS OF EMPLOYEES

Information relating to remuneration of Directors / Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, or Manager, if any, in the Financial Year:

Non-Executive Directors	Ratio to Median	% increase / (decrease) in Remuneration
Mr. R. Harish Bhat	1.02	5
Mr. L. Krishnakumar	0.83	64
Mr. S. Santhanakrishnan [^]	5.80	NA
Ms. Sunalini Menon	9.59	6
Mr. V. Leeladhar	12.75	37
Mr. Siraj Azmat Chaudhry	9.89	58
Dr. P. G. Chengappa	7.67	60
Executive Directors & Key Managerial Personnel		
Mr. Chacko Purackal Thomas	113.49	26
Mr. K. Venkataramanan	87.13	7
Mr. N. Anantha Murthy	23.95	11

[^] Directorship / Employment is for part of the period, either in current year or in previous year. Hence, percentage increase in remuneration is not provided.

- The percentage increase in the median remuneration of employees in the Financial Year: 5%**
- The number of permanent employees on the rolls of Company: 5687**
- Average percentile increases already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The percentage increase in the salaries of employees other than Managerial Personnel in Financial Year 2019-20 was 5%. The increments given to employees are based on their potential, performance and contribution, which are benchmarked against applicable Industry norms.

- Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

It is affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

Annexure – G

Details on Conservation of Energy, Technology Absorption, 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)

INSTANT COFFEE DIVISION [ICD] - THENI & TOOPRAN

A. CONSERVATION OF ENERGY

1. Steps taken or impact on conservation of energy:

- a) During the year, an additional 500kWp Solar power plant was installed in Theni Unit.
- b) Spent coffee utilization as a source of boiler fuel remained a major cost saving initiative for the Theni Unit.
- c) Hydraulic Recovery at Zero Liquid Discharge Plant (ZLDP) has improved over previous year from 76.5% to 80.0% by engaging specific process improvement teams.
- d) Revamped the ETP & RO plant at ICD Toopran Unit to recover 40KLD water. With the modification, the specific consumption of water will reduce by 0.33 litre/kg.
- e) Specific projects were taken up by Theni Unit to ensure 100% utilization of the spent coffee as an alternate fuel in the boiler, thereby conserving valuable natural resources
- f) Savings of 950 units per day in Toopran Unit by replacement of electrical chiller with Vapor Absorption [VAM] chiller; replacement of old pumps with energy efficient pumps
- g) Spent coffee utilization remained a major cost saving initiative for the Toopran Unit.

2. Steps taken by the Unit for utilizing alternate source of energy:

ICD - Theni Unit had focused on diversifying renewable energy sources by adding an additional 500kWp solar plant. With the said addition, the share of onsite solar power in the total power consumed by ICD Theni will increase from 5% to approximately 10%.

3. Capital investment on energy conservation equipment

During the year, ICD - Theni Unit invested ₹35 Lakh on augmenting the Condensate Recovery System. This initiative has led to an increase of condensate recovery from 62% to 79% with an annualized water saving potential of 5000KL as well as saving of 900MT coal.

B. TECHNOLOGY ABSORPTION

- a) Automation of Evaporation feed stabilization system to enhanced quality and consistency of evaporator output ensuring optimized coffee concentration before drying
- b) Agglomeration Feed Control Automation: Upgradation of feed & fines modulation system to a PLC based auto feed system, to ensure uniform quality and enhanced plant availability
- c) Theni Unit has commissioned a 30 KLD capacity sewage treatment plant
- d) Internet of Things (IOT) Projects in the areas of motor maintenance and quality have been initiated at ICD Theni, initiating strides to improving plant availability and product traceability

PLANTATIONS

The highlights of Research & Development activities carried during the year in Plantation Division are as under:

1. Specific areas

- a. R&D Team of the Company is having expertise in the field of Analytical Chemistry, Agricultural Entomology, Microbiology & Pathology, Agronomy, Plant breeding, Value addition and quality evaluation
- b. Soil health - maintenance and its sustenance with Soil Nutrient Index
- c. Integrated Pest & Disease Management Research
- d. Bio-Control Research – culturing of beneficial microbes for plant protection and Composting process
- e. Varietal trial for Coffee, Pepper and Cardamom

Board's Report [Contd.]

- f. Quality enhancement, good post-harvest processing and Pepper grading for incremental gain
- g. Environmental preservation through Surface Water Analysis, Pesticide Residue Analysis etc., and Water Conservation
- h. Soil moisture conservation and optimization of available water
- i. Bio-remediation and waste management - Recycling of Agro waste, Compost, Vermi-compost & Coffee Waste- Water Treatment and recycling
- j. Quality evaluation of estate produce and Agro-inputs
- k. Mono Cultivation of Pepper and Crop Diversification
- l. Apiculture and Pisciculture
- m. Collaborative Research to evolve 'Less Hazardous Eco-friendly Agro – Chemical and Pheromones' for Sustainable Agriculture
- n. Standardization 'Operating Procedure for Plantation, Processing
- o. Clonal propagation of coffee: To achieve high crop yield, location specific drought tolerant, true to type plants through unique method. This clonal propagation is achieved through identical plants in a short timeline and plants will be available for 'in situ' propagation
- p. Digitalization – Identification of Elite plants using QR code, monitoring of real time Weather and pest & diseases by digital applications

2. Benefits Derived

I. Crop Nutrition Research

- a. Soil fertility evaluation through annual soil nutrient analysis and leaf micronutrient diagnostic analysis, the results are used to optimise fertilizer recommendation and soil amendment
- b. The fertilizer program is rationalised based on soil nutrient status and plant replenishment ratio, which is optimum and adequate to enhance crop production and productivity
- c. Monitoring the availability of micronutrients and secondary nutrients to improve Coffee, Pepper and Cardamom productivity and quality
- d. Experiments are under way to improve the drought tolerance and moisture retention in the soil using eco-friendly products

II. **Coffee, Pepper & Cardamom - Varietal Trial Experiment:** Identified location specific high yielding, pest, disease and drought tolerant selection for planting in the various Estates. Initiated coffee vegetative propagation as well.

III. Organic Manure

Agro Waste management and recycling through large-scale production of quality compost with improvised technology by incorporating microbial consortium, to enhance the soil fertility and vigour of the plant.

IV. Bio-control Research

- a. **Culturing of beneficial fungus for integrated disease management:** The Company's R&D function pioneered and scaled up the culturing of pure line *Trichoderma* fungus in different formulation as per requirements of Estates and introduced concentrate vial formulation in deliverable form for hassle free transport to far-off Estates. TCL-R&D has developed economic solid formulation for the easy application and storage of *Trichoderma*
- b. **Culturing of Beneficial strains viz., *Pseudomonas*, *Paecilomyces* and *Pochonia*** for soil Nematode control
- c. **Coffee Berry Borer Control:** Large-scale installation of Berry Borer traps and Culturing of Entomopathogenic fungus *Beauveria bassiana*, as a part of Integrated Pest Management
- d. Culturing of Specific strains of *Streptomyces*, *Bacillus* & *phanerochete* for compost degradation & enrichment
- e. Coffee White Stem Borer Control (IPM): Monitoring WSB by Installing Pheromone traps, 'Lime spray' and intensive tracing. Introduced impregnated non-woven fabric wraps to emphasise the population suppression as a part of Integrated Pest Management

V. Organic farming system

Coffee and Pepper cultivation are in compliance with Organic Farming Standards as per NPOP and NOP – US Technical Standards.

VI. Mono Cultivation of Pepper and Crop Diversification

Intensive Pepper cultivation with improved package of practices. R&D has introduced unique economic method for pepper cultivation by using Pepper Procliners.

Areca nut, Oil palm planted along the valleys and marginal areas have established and contributing substantial revenue

VII. Preparation of Standard Operating Procedure (SOP) and package of practices based Good Agricultural practices (GAP) and Good Processing Practices (GPP)

VIII. Training programs on critical cultural operations for estate personnel and monthly Advisory Circulars to Estates and to its customers to update current / new trends in cultivation practices, pest, disease management and post-harvest technology

IX. Certifications

All the cultural operations are validated through international certifications such as UTZ, Rainforest Alliance, SA 8000, ISO 22000 and Cafe Practices

3. Plan of action in-house

I. Improved crop varieties

Field evaluation of location specific high yielding, pest & disease, drought tolerant selection of Coffee, Pepper and Cardamom

II. Crop Diversification

To assess the potential of very low yielding coffee areas and to identify other suitable commercial crops and fruit trees. Horticulture crops like Avocado, Mangos teen, Rambutan, Dragon fruit and tree spice – Nutmeg, Bixa-(Annatto) are experimented. The experiments are being progressed to develop unique formulation from coffee and coffee by products

III. Coffee 'Waste-water' Management Research

R&D always recommends eco-friendly neutralization agents and biological process for waste-water treatment and energy recovery from waste-water. The experiments are under way to determine economical waste-water treatment through eco-friendly products

IV. Crop Nutrition Research

Rationalization of fertilizer application for the future. Experimenting on identification of potential 'fertilizer formulation' for better absorption of applied nutrients, and quality enhancement

V. Water conservation

To develop economically viable techniques, recycling of treated waste-water for agricultural use

VI. Quality enhancement

Improved process to preserve the "Inherent quality" of estate produce, right time of crop harvest based on sugar content (coffee), improved post-harvest drying standards for Coffee and Pepper to avoid Mycotoxins

VII. Coffee Waste Utilization for Incremental gain

Experiments are under way for effective utilization of Coffee processing waste for incremental gain

VIII. Quality of Surface Water

To assess and confirm that the farm activities are not contaminating the receiving water bodies, even though less hazardous chemicals are used as per Sustainable Agricultural Network and WHO standard

IX. Apiculture

To enhance production through insect pollination in Coffee and to revive the diminishing population of honeybees, to preserve the biodiversity

X. Pisciculture

Fish farming in Irrigation tank, to conserve the aquatic eco system and for Revenue generation

XI. Collaborative Research

To evolve less Hazardous "WHO" approved Agro-Chemicals for Sustainable Agriculture

Board's Report [Contd.]

4. General

I. Collaboration with Research Institutes

- National Bureau of Agricultural Insect Resources (ICAR), Bangalore
- Central Coffee Research Institute, Balehonnur
- Indian Institute of Spices Research, Calicut
- Collaborative Research with Tata Chemicals Innovation Centre and Rallis Innovation Chemistry Hub, with respect to Arabica White Stem Borer and Termite on 'live standards'
- College of Forestry Science, University of Agricultural Sciences, Bangalore

II. Obtained UTZ, Rainforest Alliance and Café practices Certificates for Coffee export to EU, USA and Japan; NOP and NPOP Certificate for Organic produce, and ISO: 22000 Certification for R&G and Pepper Processing unit at KNW, Export inspection agency certification for Pepper Export.

III. Scientific technical guidance to students pursuing higher studies both International and National Universities.

IV. The R&D Laboratory is recognised by the Department of Scientific and Industrial Research, Ministry of Science and Technology.

R&D Updates / In-house seminars - Updating R&D interventions to all the various Estates & customers by conducting "INVENTICA" (Annual R&D - Day) and conducting hands-on training and practical demonstrations (manual / digital platforms).

5. In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):

- (a) The details of technology / Instrument imported: Microwave Plasma Atomic Emission Spectrometer. The Technology is being used for micronutrient analysis including leaf/tissue.
- (b) the year of import: 2017-18
- (c) whether the technology been fully absorbed: Yes
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

6. Expenditure incurred on Research and Development [R&D]:

Particulars	₹ in Lakh)	
	2019-20	2018-19
Capital Expenditure	4.77	4.57
Revenue Expenditure	97.36	99.59
Total	102.13	104.16
Total R&D expenditure as a % of net sales	0.14%	0.15%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	₹ in Lakh)	
	2019-20	2018-19
Foreign Exchange Earned	45615	43428
Foreign Exchange Outgo	17769	15545

For and on behalf of the Board

Place: Bengaluru
Date: May 5, 2020

R. HARISH BHAT
Chairman

Report on Corporate Governance

1. Company's Philosophy on Code of Governance:

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Your Company's Corporate Governance philosophy is based on transparency, accountability, values and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth and value creation. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders. As part of Tata Group, your Company has a strong legacy of fair, transparent and ethical governance practices. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos.

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, Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices.

The Corporate Governance practices followed by the Company are compatible with International Standards. Your Company has established systems to encourage and recognize employee participation and volunteering in environmental and social initiatives that contribute to Organizational Excellence, Sustainability, Human Resources Development and health of its employees and that of the neighbouring community etc. These actions have become an integral part of your Company's operating plans in discharging social responsibilities too.

Your Company is in compliance with the requirements of Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter called "the Listing Regulations" and also Guidance Note on Board Evaluation as prescribed by SEBI.

2. Board of Directors and Governance Framework:

(i) Composition of the Board

The Board of Directors along with its Committees provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. Your Company has an engaged and well informed Board with qualifications and experience in diverse areas. The Board composition is in conformity with the Listing Regulations and the Companies Act, 2013 ("the Act").

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Director. The Board of Directors as at the end of March 31, 2020, comprised of 8 Directors, out of which 2 were Executive Directors and 6 were Non-Executive Directors, which includes 4 Independent Directors. The Chairman of the Board is a Non-Executive Director and more than one-half of the total number of Directors comprised of Non-Executive Directors. The Independent Directors constitute one-half of the total Board strength. The Composition of the Board as of March 31, 2020 is given in the table below.

Category of Directors	Name of Directors	No. of Directors	%
Non - Independent Non-Executive Directors	1. Mr. R. Harish Bhat (Chairman)	2	25%
	2. Mr. L. Krishnakumar		
Independent Directors	1. Mr. V. Leeladhar	4	50%
	2. Ms. Sunalini Menon		
	3. Mr. Siraj Azmat Chaudhry		
	4. Dr. P. G. Chengappa		
Executive Directors	1. Mr. Chacko Purackal Thomas (Managing Director & CEO)	2	25%
	2. Mr. K. Venkataramanan (Executive Director- Finance & CFO)		

None of the Directors of the Company are related to each other. As on March 31, 2020, none of the Directors held equity shares in the Company.

Report on Corporate Governance [Contd.]

None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders' Relationship Committee) across all Public Companies in India, in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.

None of the Directors hold office in more than ten Public Companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Directorships / Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations.

The Company has received declarations on criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations

from the Directors of the Company who have been classified as Independent Directors as on March 31, 2020.

- (ii) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2020 are given below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, Chairpersonship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

- a. Details of attendance of each Director at Board meetings and at the last year's Annual General Meeting:

Name of Director	AGM	Date of Board Meetings						% of Attendance	
		03.06.2019	19.04.2019	03.06.2019	25.07.2019	25.10.2019	28.01.2020		19.03.2020
Mr. R. Harish Bhat (Chairman) DIN: 00478198	Y	Y	Y	Y	Y	Y	Y	Y	100
Mr. L. Krishnakumar# DIN: 00423616	Y	Y	Y	Y	Y	Y	Y	Y	100
Mr. V. Leeladhar DIN: 02630276	Y	Y	Y	Y	Y	Y	Y	Y	100
Mr. S. Santhanakrishnan* DIN: 00032049	Y	Y	Y	NA	NA	NA	NA	NA	100
Ms. Sunalini Menon DIN: 06983334	Y	Y	Y	Y	Y	Y	Y	Y	100
Mr. Siraj Azmat Chaudhry DIN: 00161853	Y	Y	Y	Y	Y	Y	Y	Y	100
Dr. P.G. Chengappa DIN: 06771287	Y	Y	Y	Y	Y	Y	Y	Y	100
Mr. Chacko Purackal Thomas (Managing Director & CEO) DIN: 05215974	Y	Y	Y	Y	Y	Y	Y	Y	100
Mr. K. Venkataramanan (Executive Director – Finance & CFO) DIN: 01728072	Y	Y	Y	Y	Y	Y	Y	Y	100

The maximum time gap between any two Board Meetings was less than 120 days.

Mr. L. Krishnakumar resigned from the Board w.e.f. May 5, 2020. Mr. Sunil A. D'Souza (DIN:07194259), was inducted as a Non-Executive Non-Independent Director on the Board w.e.f. May 5, 2020.

* Mr. S. Santhanakrishnan ceased to be an Independent Director of the Company consequent to his retirement upon completion of his term of office on July 20, 2019.

- b. The composition and category of Directors, the number of Directorships and Committee Chairpersonships / Memberships held by them and Directorships held by them in other listed entities as on March 31, 2020:

Name of Director	Category of Directors	Directorships in other Public Companies (excluding Tata Coffee Limited)	Number of Committee Positions held in Other Public Companies (excluding Tata Coffee Limited)		Other listed entities where directors of the Company held directorships	
			Member	Chairman	Name of Listed Entity	Category
Mr. R. Harish Bhat (Chairman) DIN: 00478198	Non-Independent Non-Executive	5	1	1	1. Tata Consumer Products Limited 2. Trent Limited	Non – Executive Non-Independent Director Non – Executive Non-Independent Director
Mr. L. Krishnakumar# DIN: 00423616	Non-Independent Non-Executive	2	1	-	Tata Consumer Products Limited	Executive Director
Mr. V. Leeladhar DIN: 02630276	Independent Non-Executive	1	-	1	-	-
Mr. S. Santhanakrishnan* DIN: 00032049	Independent Non-Executive	NA	NA	NA	-	-
Ms. Sunalini Menon DIN: 06983334	Independent Non-Executive	-	-	-	--	-
Mr. Siraj Azmat Chaudhry DIN: 00161853	Independent Non-Executive	2	1	-	Tata Consumer Products Limited	Independent Director
Dr. P.G. Chengappa DIN: 06771287	Independent Non-Executive	3	2	-	Tasty Bite Eatables Limited	Independent Director
Mr. Chacko Purackal Thomas (Managing Director & CEO) DIN: 05215974	Non-Independent Executive	-	-	-	-	-
Mr. K. Venkataramanan (Executive Director – Finance & CFO) DIN: 01728072	Non-Independent Executive	1	-	-	-	-

Mr. L. Krishnakumar resigned from the Board w.e.f. May 5, 2020. Mr. Sunil A. D'Souza (DIN:07194259), was inducted as a Non-Executive Non-Independent Director on the Board w.e.f. May 5, 2020.

* Mr. S. Santhanakrishnan ceased to be an Independent Director of the Company consequent to his retirement upon completion of his term of office on July 20, 2019.

Report on Corporate Governance [Contd.]

(iii) Chart / matrix setting out the skills/expertise/competence of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills.

The following are the skills as identified by the Board.

Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	Names of Directors who have such skills / expertise / competence
➤ Finance, Law, Management, Administration, Corporate Governance related to the Company's business	Mr. V. Leeladhar, Mr. L. Krishnakumar, Mr. K. Venkataramanan
➤ Technical Operations and knowledge on Production, Processing, Quality and Marketing of Coffee	Ms. Sunalini Menon, Dr. P. G. Chengappa, Mr. Chacko Purackal Thomas
➤ Management, Strategy, Sales, Marketing, Administration Technical Operations related to the Company's business	Mr. Harish Bhat, Mr. Siraj Azmat Chaudhry, Mr. Chacko Purackal Thomas

(iv) Board Procedure

The annual tentative calendar of Board Meetings is circulated to the members of the Board, well in advance. The agenda is circulated well in advance to the Board members, along with comprehensive back-ground information on the items in the agenda to enable the Board members to take informed decisions. The agenda and related information are circulated in electronic form through a highly secured web-based application, which is accessible to the Board members through iPad.

The Company Secretary tracks and monitors Board and Committee proceedings to ensure that the Terms of Reference / Charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The Terms of Reference/ Charters are amended and updated from time to time in order to keep the functions and role of the Board and Committees at par with the changing statutes. Meeting effectiveness is ensured through clear agenda, circulation of material in advance, detailed presentations at the meetings and tracking of action taken reports at every meeting. Additionally, based on the agenda, meetings are attended by members of the senior leadership as invitees, which brings in the requisite accountability and also provides developmental inputs.

The Board plays a critical role in strategy development of the Company. The Managing Director & CEO appraises the Board on the overall performance of the Company every quarter including the performance of the overseas Subsidiary Companies.

The Board periodically reviews the strategy, annual business plan, business performance of the Company

and its Subsidiary Companies, Capex Budget, Risk Management, Safety, Business Sustainability and Environmental matters.

The Board also reviews the compliance reports of the laws applicable to the Company, Internal Financial Controls and Financial Reporting Systems, Minutes of the Meeting of the Subsidiary Companies, adoption of quarterly/half-yearly/annual results, transactions pertaining to disposal of property, minutes of committees of the Board.

The Board also reviews the declarations made by the Managing Director & CEO, the Executive Director – Finance & Chief Financial Officer and the Company Secretary regarding compliance with all applicable laws and reviews the related compliance reports, on a quarterly basis.

The information as required under Part A of Schedule II to the Listing Regulations is also made available to the Board, wherever applicable, for their consideration.

Video conferencing facility is used as and when required to facilitate Directors at other locations to participate in the meetings.

(v) Code of Conduct

The Company has adopted the 'Tata Code of Conduct' which is applicable to its employees, including the Managing and Executive Directors. The Board has also approved a Code of Conduct for the Non-Executive Directors of the Company, which incorporates the duties of Independent Directors as laid down in the Act. Both these Codes are posted on the Company's website at www.tatacoffee.com.

All the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct for the Financial Year 2019-20. A declaration to this effect, signed by the Managing Director & CEO, forms part of this Report.

Apart from receiving remuneration that they are entitled to under the Act as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its Promoters or Directors, its Senior Management or its Subsidiaries.

The Senior Management of the Company has made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

(vi) Tata Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the revised Tata Code of Conduct for prevention of Insider Trading and the Code of Corporate Disclosure Practices (Insider Trading Code). All our Directors, Employees of the Company and their immediate relatives and other connected persons who could have access to the Unpublished Price Sensitive Information of the Company, are governed under this Insider Trading Code. Mr. K. Venkataramanan, Executive Director – Finance & CFO of the Company is the 'Compliance Officer' for the purpose of this Regulation.

(vii) Independent Directors

The Independent Directors of the Company have been appointed in terms of the requirements of the Act, the Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website at www.tatacoffee.com.

The Company has received declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under

Section 149(6) of the Act read with Regulation 16(1) (b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board is of the opinion that the Independent Directors fulfil the conditions specified in the Act and the Listing Regulations and that they are independent of the management.

No Independent Director had resigned during the Financial Year 2019-20.

(a) Meeting of Independent Directors

A separate meeting of Independent Directors of the Company without the presence of the Executive Directors & the Management Representatives was held on March 18, 2020 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. At the said meeting, the Independent Directors:

- (a) reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;
- (b) reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- (c) assessed the quality, quantity and timeliness of flow of information between the Management of the listed entity and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties. All the Independent Directors of the Company attended the Meeting of Independent Directors held on March 18, 2020. The Independent Directors expressed their satisfaction to the desired level of the governance of the Board.

(b) Familiarization Programme for Independent Directors

The Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the Industry in

Report on Corporate Governance [Contd.]

which the Company operates, etc., through various programmes. These include orientation programme upon induction of new Director, as well as other initiatives to update the Directors on an ongoing basis.

Further, the Company also makes periodic presentations at the Board and Committee meetings on various aspects of the Company's operations including on Health and Safety, Sustainability, Performance updates of the Company, Industry scenario, Business Strategy, Internal Control and risks involved and Mitigation Plan.

The details of the Familiarization Programme for Independent Directors is disclosed on the Company's website at the web link: https://tatacoffee.com/sites/default/files/collaterals/investors/tata_coffee_limited_familiarisation_final.pdf

(viii) Board and Director Evaluation and Criteria for Evaluation

During the year, the Board carried out an Annual Evaluation of its own performance and the performance of individual Directors, as well as evaluation of Committees of the Board.

The Nomination and Remuneration Committee (NRC) has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter-alia, structure of the Board, qualifications, experience and competency of Directors, diversity in Board and process of appointment; Meetings of the Board, including regularity and frequency, agenda, discussion and dissent, recording of minutes and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressal for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of Management's performance and feedback, independence of management from the Board, access of Board and Management to each other, succession plan and professional development; degree of fulfillment of

key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and management.

Criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/support to Management outside Board/ Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Criteria for evaluation of the Committees of the Board include mandate of the Committee and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, Agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and Management.

The procedure followed for the performance evaluation of the Board, Committees and Directors is detailed in the Boards' Report, which forms part of the Annual Report.

The Nomination and Remuneration Committee (NRC) has also formulated criteria for determining qualifications, positive attributes and independence of Directors in terms of Section 178(3) of the Act and the Listing Regulations.

3. Audit Committee:

The Audit Committee has been constituted by the Board in compliance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

(i) Terms of reference

The terms of reference of the Audit Committee covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. The terms of reference of the Audit Committee, inter-alia are as follows:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;
- iii. 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 statements 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. Looking 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 Code of Conduct for Prevention of Insider Trading and supervise its implementation under the overall supervision of the Board;

Report on Corporate Governance [Contd.]

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 utilized 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 to the Listing Regulations.

xxiii. Consider matters relating to Company's Code of Conduct and such matters as may be referred by the Board, from time to time

(ii) Internal Audit

The Company has adequate Internal Control and Internal Audit system commensurate with its size and nature of its business. The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors directly present their reports to the Audit Committee for their consideration.

(iii) Composition and Attendance during the year

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of

the Listing Regulations and the provisions of Section 177 of the Act. All members of the Committee are financially literate, with Mr. V. Leeladhar, as Chairman of the Committee, having the relevant accounting and financial management expertise.

The composition of the Audit Committee and the details of the meetings attended by its members during the Financial Year ended March 31, 2020 are as under:

Name of Director	Category of Directors	No. of Meetings held	No. of Meetings attended
Mr. S. Santhanakrishnan – Chairman (up to July 20, 2019)*	Independent Non-Executive	2	2
Mr. V. Leeladhar – Chairman (from July 22, 2019)	Independent Non-Executive	9	9
Ms. Sunalini Menon	Independent Non-Executive	9	9
Mr. Siraj Azmat Chaudhry **(from July 22, 2019)	Independent Non-Executive	7	7
Dr. P. G. Chengappa** (from July 22, 2019)	Independent Non-Executive	7	7

* Mr. S. Santhanakrishnan ceased to be a member of the Audit Committee of the Board of Directors of the Company consequent to his retirement upon completion of his term of office on July 20, 2019.

**Mr. Siraj Azmat Chaudhry and Dr. P. G. Chengappa were inducted to the Audit Committee from July 22, 2019.

The Audit Committee met nine (9) times during the Financial Year 2019-20 and the gap between any two meetings did not exceed 120 days. The dates on which the Audit Committee Meetings held were: April 17, 2019, June 24, 2019, July 24, 2019, September 16, 2019, October 24, 2019, December 13, 2019, January 27, 2020, February 24, 2020 and March 18, 2020. Requisite quorum was present at the above Meetings.

The Audit Committee meetings are usually attended by the Managing Director & CEO, Executive Director – Finance & CFO, and the respective departmental heads, wherever required. The Company Secretary acts as the Secretary of the Audit Committee. The Statutory Auditors and Internal Auditors also attend the Audit Committee meetings by invitation.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

During the year, the Audit Committee reviewed key audit findings covering Operational, Financial and

Compliance areas, Risk Mitigation Plan covering key risks affecting the Company which were presented to the Committee. The Chairman of the Audit Committee briefed the Board members on the significant discussions which took place at Audit Committee Meetings.

Mr. S Santhanakrishnan, as Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on June 3, 2019.

4. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee (NRC) has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

(i) Terms of reference

The terms of reference of the NRC covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations. The terms of reference of the NRC, inter-alia are as follows:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of Board of Directors;
- 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.
- whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

(ii) Composition and Attendance during the year

The composition of the NRC and details of meetings attended by its members during the Financial Year ended March 31, 2020, are given below:

Name of the Member	Category of Director	No. of Meetings held	No. of Meetings attended
Mr. V. Leeladhar – Chairman (up to 21.07.2019)	Independent Non-Executive	3	3
Mr. Siraj Azmat Chaudhry – Chairman (from 22.07.2019)	Independent Non-Executive	3	3
Mr. S. Santhanakrishnan*	Independent Non-Executive	1	1
Mr. R. Harish Bhat	Non-Independent Non-Executive	3	3

* Mr. S. Santhanakrishnan ceased to be a member of the NRC of Board of Directors of the Company consequent to his retirement upon completion of his term of office on July 20, 2019.

The NRC met three times during the Financial Year 2019-20 i.e., on April 19, 2019, August 14, 2019 and March 19, 2020.

Mr. V. Leeladhar, as Chairman of the NRC, was present at the Annual General Meeting of the Company held on June 3, 2019.

(iii) 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 the Financial Year 2019 - 20 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, Risk Management, Stakeholders' Relationship and Corporate Social Responsibility 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 after taking into consideration 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

Report on Corporate Governance [Contd.]

out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

(iv) Remuneration Policy

The Company's philosophy for remuneration of Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:

- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run the Company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals and also taking into consideration, the performance of the Company during the year and for 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.

The Company does not have any Employee Stock Option Scheme.

5. Remuneration of directors

The key principles governing the Company's Remuneration Policy are as follows:

(i) Independent Directors and Non-Independent Non-Executive Directors

- a) Independent Directors ('ID') and Non-Independent Non-Executive Directors ('NEDs') are paid sitting fees for attending the Meetings of the Board and of Committees of which they are Members, and Commission within regulatory limits, as recommended by the NRC and approved by the Board.

- b) Overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company taking into consideration the challenges faced by the Company and its future growth. Remuneration paid should be reflective of the size of the Company, complexity of the Sector / Industry / Company's Operations and the Company's capacity to pay the remuneration and be consistent with recognized best practices.
- c) The aggregate Commission payable to all the NEDs and IDs is recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board. The NRC recommends to the Board, the quantum of Commission payable for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee Meetings, individual contributions at the Meetings and contributions made by Directors other than in Meetings.
- d) The remuneration payable to Directors shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

(ii) Managing Director ('MD') / Executive Director ('ED') / Key Managerial Personnel ('KMP') / rest of the employees

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence, remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the Sector/ Industry / Company's Operations and the Company's capacity to pay, consistent with recognized best practices and aligned to regulatory requirements.

Basic / Fixed Salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits in accordance with the terms of employment / contract.

In addition to the Basic / Fixed Salary, benefits, perquisites and allowances as mentioned above, the Company provides to its MD / ED, such remuneration by way of Commission, calculated with reference to the Net Profits of the Company in the Financial Year, as may be determined by the Board, subject to the overall ceilings stipulated under Section 197 of the Act. The specific amount payable to the MD/ ED would be based on performance as evaluated by the NRC and recommended by them and approved by the Board.

Details of remuneration paid during the Financial Year 2019-20:

a) Non-Executive Directors (NEDs)

(₹ in Lakhs)			
Name of Non-Executive Director	Commission relating to FY 2018-19 (paid in FY 2019-20)	Commission relating to FY 2019-20 (payable in FY 2020-21)	Sitting fee (paid in FY 2019-20)
Mr. R. Harish Bhat *	-	-	2.20
Mr. L. Krishnakumar *	-	-	1.80
Mr. S. Santhanakrishnan (up to July 20, 2019)	30.00	10.00**	2.55
Ms. Sunalini Menon	15.00	15.50	5.25
Mr. V. Leeladhar	16.00	21.00	6.60
Mr. Siraj Azmat Chaudhry	11.00	16.00	5.40
Dr. P. G. Chengappa	8.00	11.50	5.10

*Mr. R. Harish Bhat and Mr. L. Krishnakumar do not draw any commission as they are full-time employees of Tata Sons Private Limited and Tata Consumer Products Limited, respectively.

(**) Pro-rata, since Mr. S. Santhanakrishnan ceased to be a Director of the Company effective July 20, 2019.

b) Managing Director and Executive Director:

(₹ in Lakhs)					
Name of Managing / Executive Director	Salary	Perquisites and Allowance	Contribution to Retiral Funds	Commission for FY 2019-20 (payable in FY 2020-21)	Total
Mr. Chacko Purackal Thomas, Managing Director & CEO	156.67	8.97	17.50	80.00	263.14
Mr. K. Venkataramanan, Executive Director - Finance & CFO	123.50	7.09	14.07	58.00	202.66

The Company pays sitting fee of ₹30,000/- per meeting to the NEDs for attending Meetings of the Board, Audit Committee and NRC and ₹15,000/- for attending meetings of other Committees. In respect of current employees of Tata Companies who are NEDs on the Board of Tata Companies in India, the sitting fees payable shall not exceed ₹20,000/- per meeting of the Board, Audit and NRC and for other Committees, the sitting fees shall be ₹10,000/- per meeting. No sitting fee is payable to the members for attending the Meetings of the Corporate Social Responsibility Committee.

The Members at the Annual General Meeting of the Company held on July 21, 2014 approved payment of Commission to the NEDs within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Act. The said Commission payable to the NEDs is decided each year by the Board of Directors and distributed amongst them based on their attendance, role and responsibility as Chairman/ Member of the Committees and their overall contribution as well as time spent on operational matters otherwise than at the meetings. The Company also reimburses the out of pocket expenses incurred by the NEDs for attending meetings.

The services of the Managing Director and Executive Directors may be terminated by either party, giving the other party a six months' notice or the Company paying six months' salary in lieu thereof. There is no provision for payment of severance fees.

Report on Corporate Governance [Contd.]

6. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178 (5) of the Act and Regulation 20 of the Listing Regulations. Dr. P. G. Chengappa, Independent Director is the Chairman of this Committee.

Terms of reference

The terms of reference of the Stakeholders' Relationship Committee (SRC) covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations. The terms of reference of the SRC, inter-alia are as follows:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, etc.
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the company.

The composition of the Stakeholders' Relationship Committee and the details of the meetings attended by its members during the Financial Year ended March 31, 2020 are as under:

Name of the Member	Category of Directors	No. of meetings held	No. of meetings attended
Mr. S. Santhanakrishnan- Chairman (up to July 20, 2019)*	Independent Non-Executive	1	1
Dr. P. G. Chengappa – Chairman** (from July 22, 2019)	Independent Non-Executive	3	3
Mr. V. Leeladhar (up to July 22, 2019)#	Independent Non-Executive	1	1
Mr. R. Harish Bhat (up to July 22, 2019)#	Non- Independent Non-Executive	1	1

Name of the Member	Category of Directors	No. of meetings held	No. of meetings attended
Mr. L. Krishnakumar ** (from July 22, 2019)	Non- Independent Non-Executive	3	2
Mr. Chacko Purackal Thomas	Non- Independent Executive	4	4
Mr. K. Venkataramanan	Non- Independent Executive	4	4

* Mr. S. Santhanakrishnan ceased to be a member of the SRC of Board of Directors of the Company consequent to his retirement upon completion of his term of office on July 20, 2019.

**Dr. P. G. Chengappa and Mr. L. Krishnakumar were inducted as members of the Committee with effect from July 22, 2019.

#Mr. V. Leeladhar and Mr. R. Harish Bhat ceased to be members of the Committee effective July 22, 2019.

During the Financial Year 2019-20, the Committee met four times i.e., on April 19, 2019, July 25, 2019, October 25, 2019 and January 28, 2020. The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of Investors' service. Mr. N. Anantha Murthy, Head-Legal & Company Secretary is designated as Compliance Officer of the Company.

Details of complaints / queries / requests / other correspondences received and attended to during the Financial Year 2019-20 are given below:

	Complaints	Queries / Requests / Other Correspondences
No. of complaints pending as on April 1, 2019	0	0
No. of complaints received during the year	8	1881
No. of complaints resolved during the year	8	1862
No. of complaints pending as on March 31, 2020 (received during the last week of March 2020)	0	19*

* Due to complete lockdown on account of COVID-19 from the last week of March, 2020 and the whole of April, 2020, letters which remained pending as on March 31, 2020, have since been attended to.

The equity shares of the Company are traded in dematerialized form. During 2019-20, 142 demat requests for dematerialization covering 457695 shares were received and processed and 333 request for Transfer / Transmission covering 285592 shares were received and processed. As on March 31, 2020, no requests for transfer / transmission were pending and 2 requests for dematerialization covering 200 shares were pending. These requests were received in the last week of March 2020 and have subsequently been processed.

Transfer of Unclaimed/Unpaid Amounts to the Investor Education and Protection Fund:

As per Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund)

Rules, 2016 ("IEPF Rules") read with Section 124 of the Act, intimations have been sent to shareholders concerned, requesting them to encash their unclaimed dividends failing which the unclaimed dividends and the corresponding shares held by them shall be transferred to IEPF Authority.

As required under Section 124 of the Act read with the IEPF Rules as amended, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

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 Fund due during
March 31, 2013	03.07.2013	08.08. 2020	September 2020
March 31, 2014	22.07.2014	27.08.2021	September 2021
March 31, 2015	06.08.2015	12.09.2022	October 2022
March 31, 2016	29.07.2016	04.09.2023	October 2023
March 31, 2017	20.07.2017	24.08.2024	September 2024
March 31, 2018	05.07.2018	11.08.2025	September 2025
March 31, 2019	06.06.2019	13.07.2026	August 2026

Shareholders are requested to get in touch with the RTA for encashing the Unclaimed Dividend amount, if any, standing to the credit of their account.

During the Financial Year 2019-20, the Company has transferred following amounts and shares to Investor Education and Protection Fund Authority (IEPF):

Financial year	Amount of unclaimed dividend/ Interest on matured 7% Debenture / Redemption of matured 7% Debenture (₹)	Number of shares transferred
2011-12 Unclaimed Dividend	23,89,255	1,06,333
2012-13 Unclaimed Interim Dividend	12,05,190	1,02,893
2011-12 Redemption of matured 7% Debenture	3,14,300	-
2011-12 Interest of Matured 7% Debenture	25,343	-

Details of shares transferred have been uploaded on the Company's website at www.tatacoffee.com.

Report on Corporate Governance [Contd.]

7. Corporate Social Responsibility Committee:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

Terms of reference

The terms of reference of the CSR Committee are:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act.
- Recommend the amount to be spent on CSR activities.
- Monitor implementation and adherence to the CSR Policy of the Company from time to time.
- Such other activities as the Board of Directors determine as they may deem fit in line with CSR Policy.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at www.tatacoffee.com. The Annual Report on CSR activities for the Financial Year 2019-20 forms part of the Board's Report.

The composition of the CSR Committee and the details of the meetings attended by its members during the Financial Year ended March 31, 2020 are as under:

Name of the Member	Category of Directors	No. Meetings held	No. of Meetings attended
Ms. Sunalini Menon – Chairperson	Independent Non-Executive	2	2
Mr. V Leeladhar	Independent Non-Executive	2	2
Mr. Siraj Azmat Chaudhry	Independent Non-Executive	2	2
Dr. P. G. Chengappa	Independent Non-Executive	2	2
Mr. Chacko Purackal Thomas	Non-Independent Executive	2	2

During the Financial Year 2019-20, the Committee met two times i.e., on July 24, 2019 and March 18, 2020.

8. Other Committees:

a) Risk Management Committee:

The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of the Listing Regulations.

The Board of the Company has constituted 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. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The composition of the Risk Management Committee and the details of the meetings attended by its Members during the Financial Year ended March 31, 2020 are as under:

Name of the Member	Category of Directors	No. of meetings held	No. of meetings attended
Mr. Siraj Azmat Chaudhry – Chairman	Independent Non-Executive	2	2
Mr. V. Leeladhar	Independent Non-Executive	2	2
Dr. P. G. Chengappa	Independent Non-Executive	2	2
Mr. Chacko Purackal Thomas	Non-Independent Executive	2	2
Mr. K. Venkataramanan	Non-Independent Executive	2	2
Mr. L. Krishnakumar	Non-Independent Non-Executive	2	2

During the Financial Year 2019-20, the Committee met two times i.e., on October 24, 2019 and March 18, 2020.

b) Ethics and Compliance Committee

The Company had an Ethics and Compliance Committee of Directors to consider matters relating to Company's Code of Conduct and such matters as may be referred by the Board, from time to time.

The composition of the Ethics and Compliance Committee and the details of the meetings attended by its members during the Financial Year ended 31st March 2020 are as under:

Name of the Member	Category of Directors	No. of meetings held	No. of meetings attended
Dr. P. G. Chengappa	Independent Non-Executive	1	1
Mr. S. Santhanakrishnan	Independent Non-Executive	1	1
Ms. Sunalini Menon	Independent Non-Executive	1	1
Mr. Chacko Purackal Thomas	Non-Independent Executive	1	1

During the Financial Year 2019-20, the Committee met once i.e., June 24, 2019.

The Ethics & Compliance Committee of the Board, has been merged with the Audit Committee with effect from July 22, 2019 and since then, the Audit Committee has dealt with all ethics / compliance related issues in addition to role to be performed by it as envisaged under the Companies Act, 2013 and SEBI Listing Regulations.

9. Subsidiary Companies:

The Company has a Material Unlisted Subsidiary as defined under Regulation 16 of the Listing Regulations. Accordingly, the corporate governance requirements as applicable with respect to Material Unlisted Subsidiary has been complied with.

The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries. The Minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company, as applicable, are placed before the Board of Directors of the Company.

The Company has formulated a policy for determining Material Subsidiaries and the Policy is disclosed on the Company's website at www.tatacoffee.com.

10. General Body Meetings:

- i. Location and time, where last three AGMs were held:

The last three Annual General Meetings of the Company were held as under:

Year	Date & Time of Meeting	Venue
2016-17	July 17, 2017 at 11.00 AM	Registered Office :
2017-18	July 2, 2018 at 11.00 AM	Pollibetta – 571215, Kodagu
2018-19	June 3, 2019 at 11.00 AM	

- ii. Whether any special resolutions passed in the previous three AGMs – One special resolution was passed at the AGM held on July 2, 2018
- iii. Whether any Special Resolution passed last year through postal ballot and details of voting pattern - No special resolution was passed through postal ballot in the last year.
- iv. Person who conducted the postal ballot exercise - Not Applicable
- v. 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.
- vi. Procedure for Postal Ballot: Not Applicable

11. Means of Communication:

The quarterly and annual financial results of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the requirements of Listing Regulations. The financial results are displayed on BSE and NSE websites. The financial results are also published in 'The Business Line' (English) and 'Kannada Prabha' (Kannada) newspapers and posted on the Company's website at www.tatacoffee.com. In terms of the Listing Regulations, the Company has a designated email ID for dealing with Investors' complaints viz., investors@tatacoffee.com. The official media releases and presentations made to Institutional Investors/Analysts and audio recording of Analyst Calls are posted on the Company's website at www.tatacoffee.com.

Report on Corporate Governance [Contd.]

12. General Shareholder information:

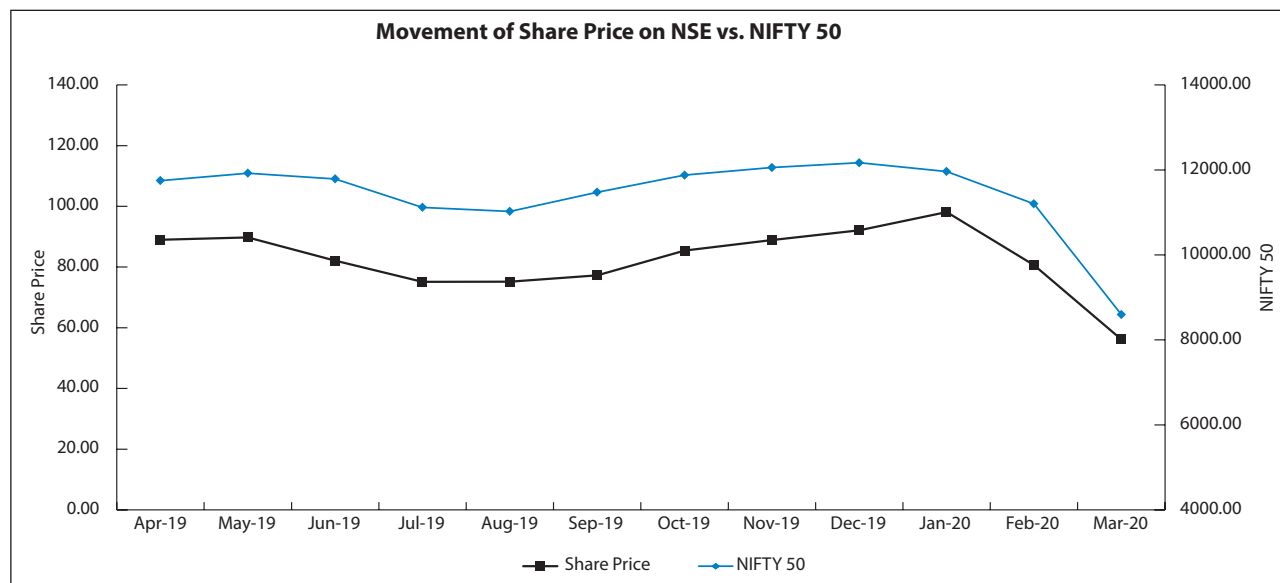
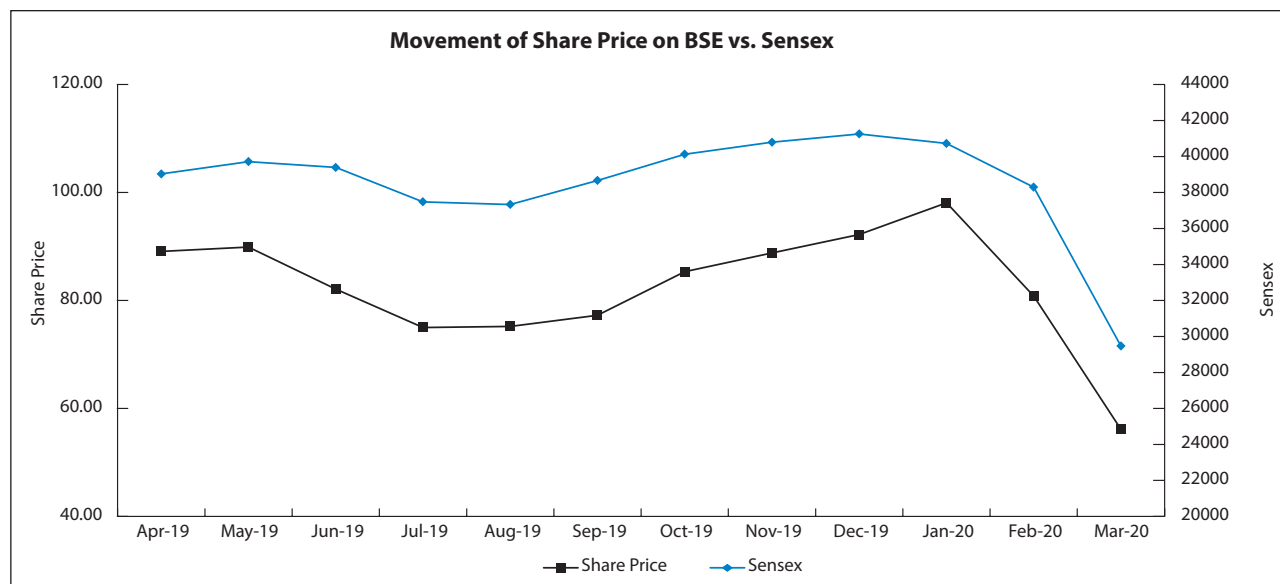
I. Annual General Meeting (AGM) for FY 2019-20			
Date	Monday, June 29, 2020		
Time	11.00 AM		
Venue	The Company is conducting AGM through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.		
II. Financial Calendar (tentative)	Board Meetings for approval of: Financial Results for the first quarter ending June 30, 2020 Financial Results for the second quarter ending September 30, 2020 Financial Results for the third quarter ending December 31, 2020 Annual Accounts for Financial Year 2020-2021 Annual General Meeting for the year ending March 31, 2021	Before August 14, 2020 Before November 14, 2020 Before February 14, 2021 In April / May 2021 In June / July 2021	
III. Dates of Book Closure	June 16, 2020 to June 22, 2020 (both days inclusive)		
IV. Dividend Payment Date	The Dividend, if declared at AGM, will be paid on or after July 2, 2020.		
V Listing on Stock Exchanges and Stock Code	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Tel: +91 22 22721233/34 Fax: +91 22 22721919 Stock Code: 532301	National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Tel No: +91 22 26598100-14 / 66418100 Fax No: +91 22 26598120 Stock Code: TATACOFFEE	

The Company has paid Listing Fees for the Financial Year 2020 - 21 to each of the Stock Exchanges, where the equity shares of the Company are listed.

VI. Market Price Data: High and Low during each month in the Financial Year 2019 -20:

Month	BSE Ltd.			National Stock Exchange of India Ltd.		
	High (₹)	Low (₹)	No. of Shares Traded	High (₹)	Low (₹)	No. of Shares Traded
April, 2019	96.00	88.75	6,33,575	95.65	88.55	51,66,771
May, 2019	93.40	82.45	9,78,963	93.65	82.05	52,49,126
June, 2019	92.85	75.05	8,96,489	92.95	72.00	50,18,858
July, 2019	82.20	70.10	8,14,169	82.50	71.20	39,68,772
August, 2019	77.50	67.00	5,97,743	78.00	67.10	36,98,301
September, 2019	85.00	72.50	8,79,667	84.80	72.45	60,00,317
October, 2019	86.90	71.65	6,49,236	87.00	71.60	51,80,542
November, 2019	90.25	79.30	7,60,631	90.30	79.00	81,40,913
December, 2019	99.00	88.20	12,77,812	99.00	88.15	1,25,89,882
January, 2020	107.20	88.60	23,84,701	107.80	88.60	2,80,89,789
February, 2020	101.90	80.25	9,44,444	102.00	80.00	93,41,633
March, 2020	83.80	47.10	9,94,990	83.50	48.00	87,11,461

VII. Performance of the Company's equity shares (closing share price) in comparison to BSE Sensex and NSE Nifty during the Financial Year 2019-20:



VIII. Name of the Depository with whom the Company has entered into Agreement:	ISIN Number
1. National Securities Depository Limited	INE493A01027
2. Central Depository Services (India) Limited	INE493A01027

Report on Corporate Governance [Contd.]

IX. Registrar and Share Transfer Agent:

Pursuant to the demerger, the Registry Business of TSR Darashaw Limited ('TSRDL') stands transferred to a new entity, TSR Darashaw Consultants Private Ltd. ('TSRDCPL'), with effect from May 28, 2019.

Share Transfer System:

Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent. For lodgment of transfer deeds and any other documents or for any grievances/complaints, kindly contact any of the offices of TSR Darashaw Consultants Private Limited which are open from 10.00 A.M. to 3.30 P.M. between Monday to Friday (except on bank holidays)

Share Transfer Physical System:

As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. Effective April 1, 2019, transfer of shares in physical form has ceased. Shareholders who had lodged their request for transfer prior to March 31, 2019 and, have received the same under objection can reodge the transfer request after rectification of the documents. Request for transmission of shares and dematerialization of shares will continue to be accepted.

Dematerialization of Shares and Liquidity:

The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder has to 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 Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL / CDSL, to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialized, and an electronic credit of shares is given to the account of the Shareholder.

TSR Darashaw Consultants Private Limited

Registered Office:

6, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011

Tel: +91 22 66568484, Fax: +91 22 66568494

E-mail: csg-unit@tsrdarashaw.com

Web: www.tsrdarashaw.com

BRANCH OFFICES:

i. Bengaluru

TSR Darashaw Consultants Private Limited
503, Barton Centre, 5th Floor, 84,
Mahatma Gandhi Road,
Bengaluru – 560001
Tel: +91 80 25320321
Fax: +91 80 25580019
E-mail: tsrdlbgang@tsrdarashaw.com

iii. New Delhi

TSR Darashaw Consultants Private Limited
2/42 Ansari Road, 1st Floor,
Daryaganj, Sant Vihar,
New Delhi – 110 002
Tel: +91 11 23271805
Fax: +91 11 23271802
E-mail: tsrdldel@tsrdarashaw.com

ii. Kolkata

TSR Darashaw Consultants Private Limited
Tata Centre, 1st Floor, 43, J. L. Nehru Road,
Kolkata – 700 071
Tel: +91 33 22883087
Fax: +91 33 22883062
E-mail: tsrdlcal@tsrdarashaw.com

iv. Jamshedpur

TSR Darashaw Consultants Private Limited
'E' Road, Northern Town, Bistupur,
Jamshedpur – 831 001
Tel: +91 657 2426616
Fax: +91 657 2426937
E-mail: tsrdljsr@tsrdarashaw.com

v. Ahmedabad (Agent)

Shah Consultancy Services Limited
3, Sumatinath Complex
2nd Dhal, Pritam Nagar
Ellisbridge
Ahmedabad – 380 006
Tel: +91 79 26576038
Email: shahconsultancy8154@gmail.com

Shareholders' Relations Cell

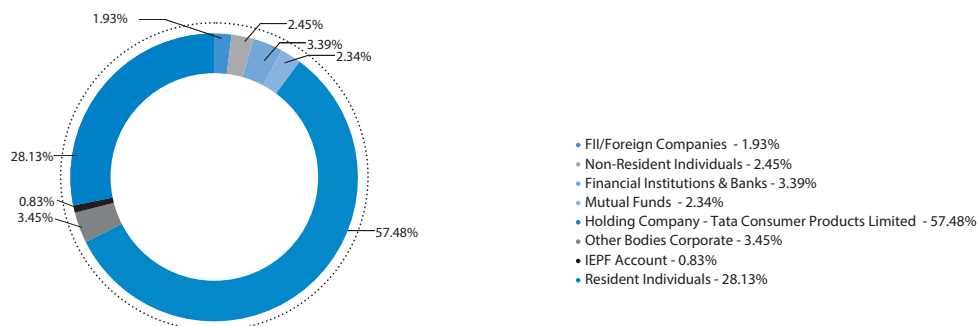
Contact Person	Address	Contact details
Mr. N Anantha Murthy Head - Legal & Company Secretary	Tata Coffee Limited No. 57, Railway Parallel Road Kumara Park West Bangalore – 560 020	Tel: +91 80 23561976/81 Fax: +91 80 23341843 e-mail ID.: Investors@tatacoffee.com website: www.tatacoffee.com

X. Distribution of Shareholding as on March 31, 2020:

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholders
1 – 500	85,503	83.64	11,195,606	5.99
501 - 1000	8,018	7.84	6,504,486	3.48
1001 - 2000	4,099	4.01	6,324,441	3.39
2001 - 3000	1,503	1.47	3,890,048	2.08
3001 - 4000	806	0.79	2,918,814	1.56
4001 - 5000	587	0.57	2,773,050	1.49
5001 - 10000	971	0.95	7,182,795	3.85
10001 & above	736	0.73	145,981,130	78.16
TOTAL	102,223	100.00	186,770,370	100.00

XI. Category-wise Shareholders as on March 31, 2020:

Sl. No.	Category of Shareholders	No. of Shares	Percentage
1	FII/Foreign Companies	36,04,125	1.93
2	Non-Resident Individuals	45,72,895	2.45
3	Financial Institutions & Banks	63,26,999	3.39
4	Mutual Funds	43,78,931	2.34
5	Holding Company - Tata Consumer Products Limited [Formerly known as Tata Global Beverages Limited]	10,73,59,820	57.48
6	Other Bodies Corporate	64,46,379	3.45
7	IEPF Account	15,48,029	0.83
8	Resident Individuals	5,25,33,192	28.13
	TOTAL	18,67,70,370	100.00

Categories of Shareholders as on March 31, 2020

Report on Corporate Governance [Contd.]

XII. Shares in Physical and Demat form as on March 31, 2020:	No. of Shares	Percentage
	In Physical Form	33,82,040
	In Dematerialized Form	18,33,88,330
		98.19
XIII. No. of shareholders whose shares as on March 31, 2020 are in Physical and Demat form:	No. of Shareholders	Percentage
	In Physical Form	5,281
	In Dematerialized Form	96,942
		94.83
XIV. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:		Nil
XV. Plant Locations:		
17 Coffee Estates in Kodagu, Hassan and Chickmagalur District		
1 Tea Estate in Kodagu District and	State of Karnataka	
1 Tea and Coffee (mixed) in Chickmagalur District		
4 Tea Estates in Pachaimallai, Pannimade, Uralikal & Velonie and 1 Coffee Estate in Valparai	State of Tamil Nadu	
1 Tea Estate in Malakiparai	State of Kerala	
Curing Works, R&G factory and Pepper processing Unit in Kudige, Kushalnagar	State of Karnataka	
1 Instant Coffee Plant at Brahmanpally Village, Toopran	State of Telangana	
1 Instant Coffee Plant at Jayamangalam Village, Theni	State of Tamil Nadu	
XVI. Address for correspondence:	As stated in 12 (IX) above	

XVII. The Company has not issued any Global Depository Receipts or American Depository Receipts. There are no warrants or any convertible instruments outstanding as on March 31, 2020.

XVIII. The details of credit rating of the Company as at March 31, 2020 is given below:

Instrument details	Amount (₹ in Crore)	Rating
Fund-based Bank Facilities	65.00	(ICRA)AA/ [ICRA]A1+ Reaffirmed; Outlook revised to Stable from Positive
Commercial Paper	30.00	(ICRA)A1+ Reaffirmed

13. Other Disclosures:

- All transactions entered into by the Company with related parties as defined under the Act and the Listing Regulations during the Financial Year 2019-20 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 Act. There were no materially significant transactions with the related parties during the Financial Year which were in conflict with the interest of Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at the link https://tatacoffee.com/sites/default/files/collaterals/investors/Related_Party_Transaction_Policy.pdf
- The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities.
- The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as required under Regulation 22 of the Listing Regulations for Directors and employees to report concerns about any unethical behavior. No person

- has been denied access to the Chairman of the Audit Committee. The said policy has also been disclosed on the website of the Company at the link <https://tatacoffee.com/sites/default/files/collaterals/investors/Whistle Blower Policy 16092019.pdf>
- d. The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also adopted the following discretionary requirements as provided in the Listing Regulations:
- The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director & CEO.
 - The Internal Auditor reports to the Audit Committee.
 - The financial statements of the Company are with unmodified audit opinion.
- e. The policy to determine a material subsidiary has been framed and the same is disclosed on the Company's website at the link https://tatacoffee.com/sites/default/files/collaterals/investors/Policy_for_determining_Material_Subsiadiary.pdf
- f. Commodities form a major part of business of the Company and hence Commodity price risk is one of the important risks for the Company. Your Company has a robust framework in place to protect the Company's 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:
- The Risk Management Policy of the Company with respect to commodities including hedging has been framed.
 - Commodity risks faced by the Company during the year and how they have been managed. The Plantation exposure of Green Beans consisting of Arabica and Robusta grades, export pricing is directly linked to exchange terminals traded in ICE (Inter Continental Exchange). A decline in exchange traded value results in a decline in the realization, hence a prudent hedge methodology is adopted. Risk Manager has been specifically appointed to execute hedge based on the Risk Management Policy approved by the Board and that the commodity / hedging risk is monitored appropriately.
- Mr. K. Venkataramanan, Executive Director-Finance & CFO, sets risk limits on timely basis to address various market conditions.
- g. The Company has managed the Foreign Exchange risk with appropriate hedging activities in accordance with the policies of the Company. The Company used Forward Exchange Contracts to hedge against its Foreign Currency exposures relating to firm commitments. There were no materially uncovered exchange rate risks in the context of the Company's Foreign Exchange exposures.
- The Company's exposure to market risks for commodities and currencies are detailed in Note No. 37 under the head 'Financial Risk Management Framework', forming part of Notes to Financial Statements.
- h. During the Financial Year 2019-20, the Board has accepted all the recommendations of its Committees.
- i. The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2019-20.
- j. Disclosure with respect to demat suspense account/unclaimed suspense account: Not applicable.
- k. 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.
- l. Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.
- m. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:

	(₹ in Lakh)
Payment to Statutory Auditors	FY 2019-20
Audit Fees	274.88
Quarterly Audit Fees	24.43
Tax Audit Fees	12.00
Other Services	73.37
Reimbursement of expenses	12.46
Total	397.15

Report on Corporate Governance [Contd.]

- n. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of Complaints filed during the Financial Year 2019-20	6
Number of Complaints disposed of during the Financial Year 2019-20	6
Number of Complaints pending as at the end of the Financial Year	0

- o. The Managing Director & CEO and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2)(a) of the Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended March 31, 2020. The MD & CEO and Chief Financial Officer have also issued compliance certificate to the Board pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any

materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said Certificate is annexed and forms part of the Annual Report.

- p. Certificate on Corporate Governance

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority from being appointed or continuing as Directors of Companies. Mr. V. Madan, Practicing Company Secretary, has submitted a certificate to this effect.

A certificate from Mr. V. Madan, Practicing Company Secretary pursuant to the requirements of Schedule V to the Listing Regulations regarding compliance with the conditions of Corporate Governance is attached.

DECLARATION BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

In terms of the Listing Regulations, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended March 31, 2020.

Date: May 5, 2020
Place: Bengaluru

Chacko Purackal Thomas
Managing Director & CEO

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Tata Coffee Limited,

I have examined the compliance with the conditions of Corporate Governance by Tata Coffee Limited ('the Company') for the year ended March 31, 2020, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) in the light of CoVID-19 situation, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended March 31, 2020.

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.

Date: May 5, 2020
Place: Bengaluru

V Madan
Practicing Company Secretary

ACS No. 5048
CP No. 21778

Report on Corporate Governance [Contd.]

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Tata Coffee Limited
Pollibetta – 571215, Kodagu

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Tata Coffee Limited having CIN L01131KA1943PLC000833 and having Registered Office at Pollibetta – 571215, Kodagu (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies, by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Mr. R. Harish Bhat	00478198	27.07.2012
2	Mr. L. Krishnakumar#	00423616	07.11.2017
3	Mr. V. Leeladhar	02630276	22.12.2014
4	Mr. S. Santhanakrishnan*	00032049	21.07.2014
5	Ms. Sunalini Menon	06983334	23.09.2014
6	Mr. Siraj Azmat Chaudhry	00161853	15.05.2015
7	Dr. P.G. Chengappa	06771287	18.05.2017
8	Mr. Chacko Purackal Thomas	05215974	04.08.2015
9	Mr. K. Venkataramanan	01728072	25.10.2014

Mr. L. Krishnakumar resigned from the Board w.e.f. May 5, 2020. Mr. Sunil A. D'Souza (DIN:07194259), was inducted as a Non-Executive Non-Independent Director on the Board w.e.f. May 5, 2020.

* Mr. S. Santhanakrishnan ceased to be an Independent Director of the Company consequent to his retirement upon completion of his term of office on July 20, 2019.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: May 5, 2020
Place: Bengaluru

V Madan
Practicing Company Secretary
ACS No. 5048
CP No. 21778

CEO / CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended March 31, 2020)

To,
The Board of Directors
Tata Coffee Limited

We have reviewed the Financial Statements and the Cash Flow Statement for the Financial Year ended March 31, 2020 and we hereby certify and confirm to the best of our knowledge and belief, the following:

- a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations;
- c. There are no transactions entered in to by the Company during the year ended March 31, 2020 which are fraudulent, illegal or violative of Company's Code of Conduct;
- d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same;
- e. There have been no significant changes in the above mentioned internal controls over financial reporting during the Financial Year 2019-20;
- f. That there have been no significant changes in the accounting policies during the Financial Year 2019-20.
- g. We have not noticed any significant fraud particularly those involving the Management or any Employee having a significant role in the Company's Internal Control System over Financial Reporting.

K. Venkataramanan
Executive Director - Finance & CFO

Chacko Purackal Thomas
Managing Director & CEO

Management Discussion & Analysis Report

A) Industry structure and developments

Coffee

During the Financial Year 2019-20, world coffee production was estimated at 168.86 million bags, a decrease of 0.8% as compared to the previous Financial Year 2018-19. Arabica production was estimated 3.9% lower at 96.37 million bags while Robusta output was estimated 3.7% higher at 72.5 million bags.

World coffee consumption was estimated at 169.34 million bags, 0.7% greater than in 2018-19, following a year of exceptional consumption growth in Europe and North America.

In coffee year 2019-20, a deficit of 0.48 million bags is currently estimated; however, Covid-19 presents considerable downside risk to global coffee consumption.

As of March 31, 2020, New York (ICE) May terminal for Arabica settled at 119.55 c/lb, while it was at 94.50 c/lb as of March 31, 2019.

As of March 31, 2020, London Robusta May futures settled at USD 1186/MT, while it was at USD 1456/MT as of March 31, 2019.

The outbreak of the COVID-19 pandemic in the first calendar quarter of 2020 has posed a challenge to global coffee demand – which was, until now, growing consistently at a rate of about 2.0 to 2.5% annually. The 'out-of-home' coffee consumption experienced a downturn with governments across the globe implementing social distancing and lockdown as tools to contain the pandemic. The contraction of demand growth has concerns over agricultural supply around the world. Farmers will struggle to cope with prices falling below cost of production across several origins.

Tea

During the year under review, the sales volume and average realization of Tea were lower as compared to previous year. The country witnessed a large stock of orthodox out-listed teas. The demand reduced for plain CTC tea. The economy decelerated, particularly in rural India. Sales came down and the money markets tightened. The demand-supply gap was accentuated by the imbalance in North India, which recorded higher production between February to July 2019 by about 9% compared to previous year.

Globally, Mombasa auction levels were recorded to be at rates lower than in 2014. This impacted export activities from India to traditional geographies. Sluggish production in Sri Lanka was an advantage for India. Exports to Iran surged to 50.4 Million kgs in January as against 27.4 Million kgs in November 2018. Imports into the UAE declined by

7 Million kgs to 12.1 Million kgs, possibly on account of direct shipments to Iran. Iran doubled imports from India to 50.4 Million kgs, helping it surpass Russian Federation to become the single largest tea importing country. Exports to the CIS countries declined by 7% from 56.6 Million kgs to 52.8 Million kgs. Purchases from India were inhibited by price as a result of Iran's competitive edge. Kazakhstan began shifting its focus towards Kenya tea. Imports into the UAE came down from 19 Million kgs to 12 Million kgs. Direct shipments to Iran reduced the relevance of the UAE as a trans-shipment point. Exports to USA increased by 14% to cross 11 Million kgs. China multiplied purchases to 12 Million kgs, compared to 9.2 Million kgs in 2018. Unfavorable political climate impacted exports to Pakistan. Quantities halved to 6 Million kgs compared to 14.5 Million kgs.

Pepper

Pepper is extensively cultivated along the tropics and is native to South India. Until the 18th Century, cultivation and production of pepper was confined to India, as an important agricultural commodity of trade with the major share being contributed by Kerala. Since then, pepper cultivation has been taken up on a commercial scale by several nations, such as Vietnam, Indonesia, Malaysia, Thailand and Brazil.

At present, Vietnam is the world's largest pepper producer (43%), followed by Brazil (15%), Indonesia and India (11%). These countries, except India, resort to mono-cropping of pepper in its areas and the vine grows up to a height of 6 metres. In India, however, pepper is intercropped on the shade trees of coffee, tea and minor crops like Arecanut and coconut without restrictions on vine height. India produces around 57,000 – 60,000 MT of pepper, with 70% domestic consumption. Indian pepper is known for its quality, pungency and taste, which affords it its own niche in global markets.

As per industry sources, India's pepper production was 48,000 MT in 2019 and is expected to be about 62,000 MT in 2020. The ingress of imported pepper into India through grey market channels continued during the year. Indian local prices of pepper remained below ₹350 per kg levels in this period.

During the Financial Year 2019-20, the Pre-monsoon rainfall was delayed till June 2019 in the North Coorg and Hassan Division Estates, when compared to South Coorg Estates, which extended the emergence of catkins. Emergence of catkins / flowering during May / June is very critical for 100% crop setting. Late catkin initiation in the month

of August / September resulted in sparse setting of Crop and the corns not developing fully, resulting in increased light berries which was observed only on harvest. This has resulted in drop in the anticipated crop, which is a physiological phenomenon arising out of the unfavorable weather conditions. The Company's approach towards improving the production levels has been structured and planting of required numbers of young pepper vines has been completed. Every activity has been mapped along with the growth stage to ensure that the practices followed are sustainable. Harvesting of pepper at height has been the focus area to ensure the crop so harvested, is with "Zero harm" to workforce deployed. In this connection, a campaign was organized across all estates during January 2020 before Pepper harvest covering all workers aligning to one of our core value "Safety". With these initiatives, the Company will continue to consolidate its position as the largest producer of black Pepper in India.

Instant Coffee

The Instant Coffee market is estimated to grow by 2% per annum, globally with China, South - East Asia and Africa largely driving the growth. Consumption is fueled by demographics, increasing popularity of coffee consumption and product innovations in these markets.

The New Product Development team at Tata Coffee continues to develop new blends and products, to tap into the emerging trends and opportunities.

However, during the last quarter of the Financial Year 2019-20, the world was affected by the Novel Coronavirus, on an unprecedented scale and the effect on world trade flows, business models and consumption formats are expected to be deleterious. Tata Coffee is gearing to counter the effects of the sudden downturn with several proactive measures.

B) Opportunities

Plantations - Green Beans

While the economic downturn may negatively impact the specialty coffee growth curve – which was hitherto driven by the café culture and a desire to experience new offerings – we do see a shift in Roasters' preference towards reliable coffee companies. Tata Coffee's scale and repute are what is going to help it wade through in such times.

Monsooned Coffee

'Monsooned Coffee' is a value addition initiative undertaken by the Company where the coffee beans are subjected to the Monsooning Process at the Company's facility in Mangalore. The Company has scaled up its capability to monsoon around 1000 MT of coffee and

is selling its premium Monsooned Coffees to niche customers, globally. Depending on the markets and global conditions, the Monsooning Unit has the flexibility to scale up the operations further. Further, the company's Monsooned Coffee, commands a premium price in the market.

Instant Coffee

Tata Coffee will continue to diversify its portfolio and seek growth opportunities in major consumption and growth markets. Our pursuit to gain substantial market share in all key geographies will be backed by continuous product development efforts and relentless pursuit of customer centricity.

Plantations - Tea

Good quality tea continues to command good price. The estates, by way of the available facilities are producing CTC, orthodox and specialty tea. The Company's estates are certified with Rain Forest Alliance, Trustea, SA 8000 and Ethical Tea Partnership. Tata Coffee continues to conduct business in a sustainable and responsible manner. It is committed to conserve the environment by restoring rainforests in degraded areas and preserving the flora and the fauna of the Region.

Pepper

Pepper is a crucial cooking ingredient and is found in the cuisines of both East and West. With the customers increasingly preferring the presence of pepper in their meals, opportunities to get a premium price in both international and domestic market is rather high for quality produce with premium grades. New markets were established in Russia and USA and efforts are being made to strengthen demand.

The Company, powered by certifications for its plantations, such as UTZ, RA and SA8000 is driving cultivation packages to be sustainable and aiming at connecting with customers directly, without intermediaries. Focus remains on identifying consumer groups who value this approach and the Company has aligned its production and marketing teams for the cause.

C) Risks, concerns and threats

Demand contraction

Given the tough economic environment in the wake of the pandemic, one of the most significant risks is demand contraction for coffee. In addition to the out-of-home vertical, the institutional offtake would diminish as more people work from homes at least for some time till the pandemic is controlled .

Management Discussion & Analysis Report [Contd.]

Supply distress

The primary concern emerging in the coming year is the immediate impact on agriculture. About 25 million farmers are dependent on coffee cultivation for their livelihoods. Any medium-term damage to demand could be of great concern to the plantation industry. The industry, particularly instant coffee, has a surplus production capacity today. A fall in demand would not only make the investments unviable but also could lead to price cuts and eventual financial distress on the supply front.

Ecological concerns

The coffee plantation Industry is dependent on nature, making it susceptible to climate vagaries. The major weather factors that influence coffee yield are rainfall, temperature, light intensity and relative humidity. The Company has introduced an innovative method of rainwater harvesting to improve water table and augment water storage capacity. Intrusion of wild animals into plantations creating human-animal conflict is one of the pressing concerns.

Regarding plantation operations, white stem borer infestation is a continuous threat for Arabica growers across the industry. The Company, in addition to regular tracing and chemical control, has taken rigorous initiatives to curb this pest.

Responsive measures

The Company is increasingly concentrating on labour optimization initiatives and mechanization of critical cultural operations wherever feasible to achieve better operating efficiency. Efforts are being made to retain the repeat workforce.

The Company takes active measures to minimize human-animal conflict. The Wildlife Cell conducts regular awareness programmes across estates on the systems to track the movement of wild animals to and avoid potential danger to workers. In addition, the cell is actively involved in protecting the endangered and nature-friendly species, such as snakes, birds, among others, by closely collaborating with the Forest Department.

Cost Optimization / Control

The Company continues to drive cost optimization initiatives across various operations of the Company. The cost optimization initiatives include improving efficiency parameters in Instant Coffee factories, increasing productivity in plantation operations through intense review of all activities, and rationalization of administrative overheads. The Company has robust cross functional

teams across various operations which focuses on cost optimization initiatives throughout the year. The Company has also engaged external consultants where required, in such cost optimization exercises.

D) Major Product-wise performance

Particulars	₹ Lakh	
	FY 2019-20	FY 2018-19
Green Bean	10729	10282
Pepper	1599	2428
Tea	5890	6648
Instant Coffee	37953	38173
Roast & Ground	2273	2348
Domestic Marketing / Allied Divisions / Others	13500	10412
Total Revenue from Operations	71944	70291

E) Outlook

Green Beans

The Company produces premium and differentiated origins, such as estate specific, washed Arabica, Robusta, Monsooned and Certified, which symbolizes its drive towards moving away from commoditization and closer to the consumer experience. In addition, the Company takes initiatives to produce Microlot coffees in large quantities.

The following parameters continue to remain our focus areas:

- Selling Premium Differentiated Coffee
- Augmenting quality coffee production
- Adhering to timely harvest schedule with adequate labour sourcing (repeat workers) and deployment
- Upgrading processing equipment with increased capacity to conserve water and improve quality and reduce person-days on processing
- Improving irrigation capability

Instant Coffee

While the global coffee market is likely to witness slow growth due to effects of the virus in the short term, there is hope that growth will eventually return globally, backed by rapid conversion of non-traditional markets to coffee, increase in 'in-home' consumption due to anticipated decline in 'out-of-home' consumption formats and emergence of new business models. Tata Coffee, with its full value chain presence from bean to instant coffee and diversified market footprint, is well poised to navigate the anticipated uncertainty and continue to grow. Our footprint in key geographies, a state of art Freeze Dried Plant in Vietnam, and sharp focus on new products development are expected to augur well for our Instant Coffee business.

Tea

The economic downturn will decelerate inventory movement. Plain tea and browner sorts are in an oversupply situation, which will be temporarily resolved through sales at discounted rates. With additional supply anticipated in 2020, these categories will require stringent controls. Kenyan prices will be higher this year compared to similar period in 2019. This may assist Indian exports to traditional markets, such as Kazakhstan and perhaps Pakistan.

The premium varieties are in short supply and will witness rise in competition. Anticipated increase in orthodox production will compress further availability of quality CTC. This category, therefore, is expected to sell at higher rates than in 2019. Packet sale in premium western or southern India markets is decent and no negative impact of the economic downswing on sales is expected. Cleaner dusts with coloury cups will be preferred by major packeters, who are likely to focus on South Indian markets.

Orthodox markets have remained remunerative over the last few years and in 2019, despite US sanctions on Iran, this impact was only experienced to a certain extent in South India on blacker well-made teas. Consequently, orthodox production increases steadily in North India. Crop is anticipated to increase further in 2020. Sri Lankan crop is stagnant at around 300 Million kgs, with less chances of the situation turning around. India with annual increases in orthodox production is now a larger supplier for black tea orthodox consumers. However, orthodox prices remain stable and quite similar to 2019 but secondary orthodox still remains one of the concerns.

Pepper

Black pepper produced by the Company is of premium quality, because of sustainable cultivation practices, processing, certifications (including the EIA), upgraded processing centers and implementation of traceability initiatives. With introduction of modern pepper nurseries to grow different varieties of pepper specific to estates based on location, rainfall pattern and altitude, we shall continue to augment pepper production.

A separate vertical is exclusively working on the following:

- Pepper cultivation practices with short and long-term plans
- Irrigation capacity and efficiency
- Upgradation of the processing and grading unit
- Targeting customers directly in the domestic and international market

F) Internal Control Systems and their adequacy

The Company's internal financial control framework is commensurate with the size and the nature of its operations. These have been designed to provide reasonable assurance about recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies.

The Company has laid down procedures and policies to guide the business operations. It has put in place a well-defined delegation of power with authority limits for approving revenue as well as expenditure. Unit or functional heads are responsible for ensuring compliance with policies and procedures laid down by the Management.

Evaluation framework

The Operating Management has assessed the effectiveness of the Company's internal control over financial reporting as at March 31, 2020. M/s. Deloitte Haskins & Sells LLP, the Statutory Auditors of Tata Coffee have audited the financial statements included in this Annual Report and issued their report on internal control over financial reporting (as defined under section 143 of the Companies Act, 2013).

The Company has appointed reputed firms of Chartered Accountants to carry out Internal Audits. The audit is based on focused and risk-based internal plans, which is reviewed every year in consultation with the Audit Committee. In line with international practices, the conduct of Internal Audit is oriented towards the review of internal controls and risks in operations, such as within plantations (coffee, tea and pepper), instant coffee divisions, estates supply division, curing works, accounting and finance, procurement, HR etc.

The Internal Audit function endeavors to make meaningful contributions to the organization's overall governance, risk management and internal controls. The Audit Committee reviews reports submitted by Internal Auditors. Suggestions for improvement are considered and the Audit Committee reviews on the corrective actions taken by the Management. The Audit Committee meets the Company's Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of Directors informed of their major observations periodically.

Based on its evaluation (as provided under Section 177 of the Companies Act, 2013 and Clause 18 of SEBI Listing Regulations), the Audit Committee concluded that as

Management Discussion & Analysis Report [Contd.]

on March 31, 2020, the internal financial controls were adequate and operating effectively.

G) Business Excellence

The Company continues to exercise process excellence principles through Lean Six Sigma initiative across instant coffee operations and Project Canvas at plantations. These process improvements and its uniform execution across operations helped the Company mitigate operational challenges to a significant degree. The concerted efforts across the board drove substantial optimization, resulting in cost leadership.

To gauge the effectiveness of various improvement initiatives and assess the maturity of the Business Excellence (BE) approaches, the Company participated in TBEM External Assessment 2019 during the year and the team of senior executives from other Tata group companies evaluated the Company's BE journey by reviewing various documents and interactions with the Company executives across the operating locations. The assessors have weighed the Company's BE journey in the overall score band of 'Good Performance'. The assessment team has appreciated our strategic choices and modifications across operational processes in alignment with strategic choices.

The BE assessment feedback, inputs from stakeholder's Satisfaction Study, transactional inputs from the key stakeholders have helped the Company to identify the areas of improvement and the Company has stepped up its focus on customer related processes, creating inclusive learning & sharing across the Company and its R&D efforts.

The Company promotes the adoption of Innovative practices across the operations and showcased 7 Innovative practices in Innovista 2020, a Tata Group level initiative that celebrates the spirit of Innovation. All these innovations were scrutinized by the subject matter experts and 1 Innovative practice qualified for the regional round.

To march forward on the Business Excellence journey, the Company continues to develop a pool of BE practitioners and currently the Company has 32 BE practitioners.

H) Mission and Values:

The Company's Mission and Values are as under:

Mission : Create distinctive long-term value for all stakeholders with Coffee and Allied Plantation products embracing sustainable practices

Values : Safety; Customer focus; Responsibility; Innovation & Agility; People-centric; Transparency

I) Financial and operational performance

The total Income for the current year is ₹775 Crore as compared to ₹757 Crore in the previous year. The Profit before Tax for the year under review is ₹85 Crore as against ₹98 Crore in the previous year. The Profit after Tax during FY 2019-20 stood at ₹73 Crore as against ₹72 Crore in the previous year.

Significant changes - if any, in Financial Ratios

During the year, on a standalone as well as consolidated basis, there was no significant change in the financial ratios compared to previous year.

J) Human assets and industrial relations

The workforce strength of the Company as on March 31, 2020 stood at 5,687 permanent employees including 159 Management Staff across different locations. We maintained harmonious industrial relations across the various units during the Financial Year 2019-20.

Capacity building programmes

The Company is building capabilities for its workforce through adoption of specific and targeted interventions across diverse categories. With respect to the Management Staff Cadre, we are running development programmes in partnership with Tata Management Development Centre and in-house training programmes aligned with the business needs. Additionally, we implemented a development centre, in association with global talent companies for building a leadership pipeline.

For the junior officers and staff cadre, several programmes were conducted at specific locations with internal and external faculties. The Company adopted various governmental skill developmental programmes to build and enhance plantation and shop-floor related skills. Last year, we launched an online training platform, Knowledge Brewery for our management and junior management staff allowing employees to take control of their development.

Employee awareness

To improve awareness on business ethics, the Prevention of Sexual Harassment (POSH) Policy and the Whistleblower Policy, the Company has launched campaigns across locations, with each employee being bestowed with the responsibility of training a designated co-worker. Making employees responsible was an effective way to improve awareness across the organization.

People practices

The Company has implemented an online Human Resource Information System (HRIS), which automates several HR processes and leads to better data management. The Company is focused on strengthening reward

and recognition practices through an online portal to encourage and foster employee engagement.

Forward Looking Statement

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking

statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, whether expressed or implied. Several factors could make significant difference to the Company's Operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, any epidemic or pandemic, natural calamities over which the Company may not have any direct / indirect control.

Business Responsibility Report

From the CEO's desk

At Tata Coffee, magical goodness of nature resides in every sip of our delicious Coffee, Tea and Pepper. In delivering the goodness of nature, Sustainability is embedded into our core values and our commitment to the core value reflects in embracing the sustainable practices followed across our Company, with regard to business, environmental, operational and social sustainability. We contribute to the well-being of our employees as well as for every stakeholder within our ecosystem.

Environmental sustainability

Water being an essential resource to our business, we have undertaken various water management practices, such as water conservation, wastewater treatment and rainwater harvesting at our plantations and manufacturing facilities. We conserve water through use of water-efficient technology, wastewater management systems, create awareness among employees about the cause. These actions have significantly reduced the specific consumption of water. The wastewater management techniques at our Theni plant is Zero-Liquid-Discharge (ZLD). We are stringently checking the discharge treated wastewater out of the Toopran plant and plan on upgrading the system to ZLD. We harvest rainwater at our plantations and have built 274 tanks across the coffee plantations with a cumulative capacity of 35 lakh cubic meter.

Considering the risks of climate change, our plantations have huge carbon sinks that help us achieve a negative carbon footprint of 1.71 lakh tonnes of CO₂ equivalent per annum. A good percentage of our energy requirement is addressed through renewable sources in our tea operations and instant coffee units.

Business sustainability

We have a comprehensive risk management framework in place. The Enterprise Risk Management process covers risk identification, assessment, development of mitigation strategy, action plan implementation, monitoring, reporting and update to Risk Management Committee.

As a strategic move, we are pursuing value addition to the customers through growing allied products to current product range such as Avocado, Dragon fruits, Apiculture (Honey Bee cultivation), Pisciculture (fish farming).

Social sustainability

In line with our commitment to the society, Tata Coffee plays its role in developing the proximate communities around its operation. We customise our community development

initiatives based on an understanding of the needs of the community. Tata Coffee continues to support Coorg Foundation, educational institutions like Akshara School, DARE school and Swastha. In addition to residential schools, Swastha conducts community-based rehabilitation in neighbouring villages. As part of our Corporate Social Responsibility (CSR) initiative, we work towards restoration of hydrological balance in the districts of Coorg and Hassan with the objective of eradicating water shortage faced by the communities there.

Operational sustainability

The 274 water tanks we have built across our plantations have a capacity of 34 lakh cubic meter. Water storage on the estates have caused us to plan for complete availability of water for blossom and backing irrigation needs. To ensure availability of solar energy, we installed a large number of solar panels in recent years. Our digitisation initiatives ensured the easing of our core operations and support functions, while helping us reschedule activities at our plantations, promptly resolving identified problems, simplifying work processes, improving staff productivity, and so on.

To ensure availability of high yield crops, we are using technique of clonal propagation. The Elite plants (i.e. high yielding, pesticide resistant plants) are identified, marked and multiplied through use of vegetative suckers. This clonal propagation ensures availability of elite plants with higher yield plants for future.

We have fixed weather stations at our plantations for real time measurement of temperature, rain, which helps the Company to reschedule the plantations operations suitably for next 2 days. The Company has also collaborated with IBM weather for the app. This app helps us to measure the soil quality, moisture content, weather conditions and rain forecast. This app helps to advance or reschedule the plantations activity to later dates.

We are equal Opportunity Employer and with philosophy of Inclusivity, we have divergent workforce in respect of gender diversity, cultural diversity, religious diversity. This helps us to have vocal employee base and culture to challenge the status quo.

As one of our core values, safety of our employees and associates is important to us and we are committed to providing safe work environment. With a vision of Zero Harm and as part of our Safety Excellence journey, we have further strengthened our safety practices over the year, creating a robust Safety governance and review structure, building awareness and capabilities across the workforce while enhancing operational efficiencies. This has enabled zero fatal incidents during the year and reduction of injury rate by 18%.

To improve and sustain performance, our operations are food safety certified, such as Halaal, Kosher, UTZ and so on. Global food safety initiatives include FSSC 22000, SQF and British Retail Consortium.

This edition of the Business Responsibility Report is a step in the direction of greater transparency and accountability of our

Company towards its stakeholders. It is our honest endeavour to lead the way in which social investments are made, by emphasising social value creation.

Chacko Purackal Thomas
Managing Director & CEO

Business Responsibility Report [Contd.]

SECTION A: GENERAL DISCLOSURES

Corporate Identity Number (CIN)	L01131KA1943 PLC000833
Company's name	Tata Coffee Limited
Register office Address	Pollibetta, Kodagu, 571215, Karnataka, India
website	www.tatacoffee.com
Email ID	investors@tatacoffee.com
Financial Year reported	2019-20
Sectors Company engaged in	Growing of coffee (SIC – 01272) Manufacturing of coffee products (SIC – 10792) Growing of tea (SIC – 01271) Growing of pepper (SIC – 01280)
Key products/services, the Company manufactures/ provides	Coffee – Green beans Coffee – Instant coffee Tea Pepper
Total number of locations where business activity is undertaken	
International locations	✓ Our Coffee business is largely global in nature where we sell instant coffee and green beans to buyers across the world. Our main markets for Instant Coffees are Russia, West Africa, Eastern Europe and South East Asia whereas for green beans our chief destinations are Italy, Germany and Middle East.
National locations	<ul style="list-style-type: none"> ✓ 17 coffee estates – in Kodagu, Hassan and Chikmagalur districts of Karnataka ✓ 1 tea estate – in Kodagu district of Karnataka ✓ 1 tea and coffee (mixed) estate – in Chikmagalur district of Karnataka ✓ 4 tea estates – in Pachamallai, Pannimade, Uralikal and Velonie in Coimbatore district of Tamil Nadu ✓ 1 coffee estate – in Valparai in Coimbatore district of Tamil Nadu ✓ 1 tea estate – in Malakiparai in Thrissur district of Kerala ✓ 1 curing works, roasting and grinding factory and pepper processing unit – in Kudige, Kushalnagar, in Kodagu district of Karnataka ✓ 1 Instant coffee plant in Theni district of Tamil Nadu ✓ 1 Instant coffee plant in Toopran in Medak district of Telangana ✓ Marketing and corporate functions are based out of Bengaluru, Karnataka
Markets served by the Company	Our coffee business provides instant coffee and green beans to buyers across the world. Our main markets for instant coffee are Russia, West Africa, Eastern Europe and Southeast Asia, whereas for green beans, our chief destinations are Italy, Germany, Middle East and India.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid up capital	₹18.68 Crore
Total turnover	₹775.75 Crore
Total profit after taxes	₹73.21 Crore
Total spending on CSR as a percentage of average Net profit for last 3 Financial Years	2.00% (₹1.36 Crore)
List of activities in which CSR expenditure has been incurred	Please refer to Annexure - D of Board's Report for details

SECTION C: OTHER DETAILS

Does the Company have any subsidiary Company/Companies?	We have 4 subsidiaries: <ul style="list-style-type: none"> • Consolidated Coffee Inc., USA • Eight O' Clock Holdings Inc., USA • Eight O' Clock Coffee Company, USA • Tata Coffee Vietnam Company Limited, Vietnam
Do the Subsidiary Company/Companies participate in the Business Responsibility (BR) initiatives of the parent company? If yes, then indicate the number of such subsidiary Company (ies)?	Our policies are extended to our subsidiaries and they participate in our BR initiatives in line with our policies.
Are there any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, who participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, over 60%]	Yes, we actively engage with our key stakeholders, such as supplier, communities around our operations, customers and other business partners on issues related to business responsibility. All our suppliers are expected to abide by our policies.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

Details of Director responsible for implementation of BR policy

DIN number	05215974
Name	Chacko Purackal Thomas
Designation	Managing Director & CEO
Telephone number	+91 80 23561976/81
Email ID	investors@tatacoffee.com

PRINCIPLE WISE (AS PER NVGs) BR POLICY/POLICIES (REPLY IN Y/N)

At Tata Coffee, our mission is to create distinctive long-term value for all stakeholders by embracing sustainable practices across our operations.

Nine Principles by the National Voluntary Guidelines	Principle 1: Ethics, Transparency and Accountability [P1]
	Principle 2: Product Lifecycle Sustainability [P2]
	Principle 3: Employees' Well-being [P3]
	Principle 4: Stakeholder Engagement [P4]
	Principle 5: Human Rights [P5]
	Principle 6: Environment [P6]
	Principle 7: Policy Advocacy [P7]
	Principle 8: Inclusive Growth [P8]
	Principle 9: Customer Value [P9]

Tata Coffee has adopted the Tata Code of Conduct, a Tata group level policy. Based on the operating geographies and applicable local laws, Tata Coffee has established various policies, such as Whistle Blower Policy, Safety Health Environment (SHE) Policy, Quality Policy, CSR Policy, Prevention of Sexual Harassment (POSH) Policy, Human Resource (HR) Policy, Code of Conduct for Non-Executive Directors, investor-related policies like Dividend Distribution Policy, Prevention of Insider Trading Policy, Policy for Determination of Materiality for Disclosures, Document Retention Policy, Material Subsidiary Policy and Policy on Related Party Transactions.

Business Responsibility Report [Contd.]

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Do you have policy/policies for#	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the policy conform to any national/international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/appropriate Board Director?	Policies, as required by the applicable statutes, are approved by the Board/Committee, and other internal policies are approved by the Managing Director.								
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
Indicate the link for the policy to be viewed online	All our policies are made available to respective stakeholders. Some of our policies are available on the Company's website at www.tatacoffee.com								
Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the Company have an in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
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
Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	All policies undergo regular monitoring and review by respective policy owners. Our management systems are also externally certified. Our policies comply with all applicable local laws. They are also aligned with the principles of the National Voluntary Guidelines. In addition to this, we have externally certified management systems.								

PRINCIPLE WISE DETAILS

Principle 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Tata Coffee has a strong legacy of fair, transparent and ethical governance practices and it forms an integral part of our pursuit towards excellence, growth and value creation.

Corporate Governance

At Tata Coffee, we are committed to the highest standards of corporate governance based on transparency, accountability, values and ethics. We have adopted Governance Guidelines, which encompass all the aspects relating to the governance of the Company, such as composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, term of Directors, retirement age, Committees of the Board and mandates of the Board Committees, among others.

We have constituted our Board of Directors with an optimum combination of Executive and Non-Executive Directors, including a Woman Director. As on March 31, 2020, the

Company had 8 Directors, of which 2 are Executive Directors and 6 are Non-Executive, of which 4 are Independent Directors. The Chairman and 75% of the Members on the Board are Non-Executive Directors. The Board of Directors along with its committees provide leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Company has Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee.

Our strong governance mechanism ensures that the affairs of the Company are managed in the best interest of all stakeholders. The Company is following the requirements of Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

Risk Management

Tata Coffee has adopted a comprehensive Risk Management Policy to ensure that there are sound practices in place to address business risks and concerns. We have constituted a Risk Management Committee, which is entrusted with the

responsibility of assisting the Board in (a) providing insights in making our risk management practices comprehensive; (b) approving the Company's Risk Management Framework; and (c) overseeing all the risks that the organisation faces, such as strategic, financial, liquidity, security, regulatory, legal, reputational and other risks that have been identified.

The risk management process covers risk identification, assessment, development of mitigation strategy, implementation of action plan, monitoring and reporting. A risk register listing the major risks to business, including social- and environment-related risks, such as climate change and health and safety, is maintained by the Company and is periodically reviewed by the Board. The risks identified by the business and functions are systematically addressed through mitigating actions on continuing basis. The Audit Committee bears additional oversight in the area of financial risks and controls.

Tata Code of Conduct

The Company has adopted the Tata Code of Conduct, which guides us on values, ethics and business principles. The Code of Conduct is extended to all our employees (including the Managing & Executive Directors), customers, the communities, the environment in which we operate and value chain partners, including suppliers and service providers, consultants, joint venture partners or other business associates, financial stakeholders and our group companies.

The Audit Committee has Board-level oversight and the primary responsibility of implementing the Code of Conduct rests with the Principal Ethics Officer. The responsibility is cascaded to the bottom through Company Ethics Counsellor, Location Ethics Counsellors and Estate Ethics Counsellors.

The Tata Code of Conduct is translated into regional languages and regularly communicated to all stakeholders. Regular trainings and knowledge sharing sessions are conducted to enhance the understanding of the guidelines among them. A 24*7 multilingual Ethics Helpline is available for all stakeholders to register their concerns, which are addressed by responsible persons within a pre-defined duration. In case the concern is not resolved within 90 days, it is escalated to Audit Committee.

The effectiveness of the Code of Conduct implementation is evaluated through Leadership Business Ethics Survey and Employee Engagement Survey, which seek employee's experience on the practices for ethical conduct and potential areas of improvement.

Tata Code of Conduct concerns for FY 2019-20:

	No. of stakeholder complaints		
	Received	Resolved	Pending
Complaints related to Tata Code of Conduct	6	5	1

To strengthen ethical conduct across the organisation and stakeholders, we have the Whistle Blower Policy, Gift Policy and POSH Policy in place. Whistle Blower Policy provides opportunities to report actual or suspected violations to the Directors and provides adequate safeguards against victimisation of employees. It is affirmed that no personnel of the Company have been denied access to the Chairman of the Audit Committee.

We have also adopted the Tata Business Excellence Model, to drive excellence in everything that we do, while upholding highest levels of values and business ethics.

PRINCIPLE 2: PRODUCTS LIFECYCLES SUSTAINABILITY

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFECYCLE

A balance of numerous environmental and social factors is critical for the sustainable production of quality coffee. Climate change is a threat to the production of coffee, thereby posing the question of business continuity of Tata Coffee. As a business, we are cognisant of our susceptibility to climate change as well as changes in environment regulations. We make tremendous efforts to ensure that our operations are sustainable. We focus on water conservation, energy efficiency, use of renewable energy and waste management at all our plantations and processing facilities.

Sustainability at our plantations

Sustainability is embedded into the agricultural practices followed at Tata Coffee. It is our constant endeavour to use eco-friendly technologies and work towards enriching the soil, water and biodiversity in and around our plantations. Our unique cultivation practices are based on scientific mapping of soil nutrition and cropping patterns, coupled with an optimal usage of valuable natural resources. This enables us to sustain the ecological balance at our locations. Integrated pest and disease management is also a part of our Standard Operating Procedures.

Sustainable agriculture

At Tata Coffee, we continue to focus on advanced agronomy across our plantations to ensure sustainability of crops to withstand changes caused by global warming.

Business Responsibility Report [Contd.]

Some of the key sustainable cultivation practices are listed here.

- We use soil nutrient analysis, leaf diagnostic analysis and the Soil Nutrient Index to maintain soil health. The results are used to optimise fertiliser recommendation and soil amendment.
- We employ intercropping – growing coffee along with other crops like pepper, vanilla, oranges and areca nuts, amid lush canopies of shade trees – to promote biodiversity and ensure optimal usage of valuable natural resources. Our estates are extensively intercropped with pepper vines, producing about 1,000 MT of pepper.
- We use the Varietal Trial Experiment of coffee, pepper and cardamom to identify a selection of location-specific, high-yielding and pest-, disease- and drought-tolerant plants for sowing in our estates.
- We implement agro-waste management and recycling, with the help of large-scale production of quality compost with improved technology. We are incorporating a beneficial microbial concoction, prepared in-house, to enhance the soil fertility status and manage soil-borne diseases.
- We are culturing beneficial fungus for integrated disease management.
- We conduct an irrigation study to understand drip and basin irrigation for our Robusta crop.
- We adopt apiculture and pisciculture practices.
- We undertake shade management, assessing light intensity that is critical to our agronomic practices. We have over one million shade trees in our plantations.
- We participate in collaborative research to develop less hazardous, environment-friendly agro-chemicals and pheromones for sustainable agriculture.
- We ensure the preservation of the environment, through surface water analysis, pesticide residue analysis and so on.
- Our coffee and pepper cultivation follow organic farming standards, such as the National Programme for Organic Production (India) and the National Organic Program (USA).

Water management

Water is very critical for our business and our sustainable irrigation practices allow us to mitigate and partially manage the vagaries of the weather. Our rainwater harvesting assets serve a complete range of pre- and post-blossom irrigation requirements.

We have adopted a structured water management programme spanning water conservation, waste water treatment and rainwater harvesting, among others. We have invested in water-efficient technologies to achieve these objectives. Our approach to water conservation also includes programmes that help spread awareness and build capacities across all stakeholders.

It is imperative to not use groundwater for irrigation and during the processing of coffee/pepper. We have installed reservoirs/tanks in the catchment areas of the plantations that are excavated/desilted or extended to meet the irrigational requirements. The present capacity is 34 lakh cubic metre, capable of catering to our entire Robusta crop for its blossom and backing irrigation needs, as well as watering our pepper vines.

We monitor and track the quantum of water used through water flow meters. Although control operations constitute a minuscule portion of our total water use, we have adopted all possible measures to optimise water consumption during the spraying of fertilisers, pesticides and weedicides. Not just the water used for spraying, we take measures as per stipulated guidelines of our certification standards in discharging the wastewater and ensuring that surface water sources around the estates are not contaminated.

Some of the other initiatives undertaken to manage water efficiently are listed here.

- We introduced the Global Positioning System (GPS) to enhance the operational efficiency of our irrigation process.
- We recycle and reuse water, completely preventing the discharge of pollutants to natural water bodies.
- We track domestic water usage to understand the water usage pattern of our employees.
- We supply all our residential colonies with septic tanks to prevent negative impact on groundwater. Wastewater from the washing of the machinery/Personal Protective Equipment (PPE) post the use of agro-chemicals is collected separately.
- We use advanced systems such as eco-pulpers and high-efficiency sprayers to minimise water consumption.

Energy efficiency and renewable energy

Sustenance of large green vegetative cover at plantations contributes to our negative carbon footprint of 1.71 lakh tonnes of CO₂ equivalent annually, making it a source of huge carbon sink.

In the last Financial Year, we procured 2 lakh units of wind power at Anamallais and we plan to scale it up to 4 lakh units in the current Financial Year. Also, we installed 200-kilowatt roof mounted solar PVs at the estate. At Coorg, we replaced diesel engines used to pump water with energy efficient motors.

We monitor electricity consumption on a monthly basis and exhibit the same to drive behavioural changes.

Theni unit added additional 500kWp solar plant capacity, increasing the overall solar capacity to 1000 kWp. This has resulted in improvement of renewable energy, including solar and wind energy to 18.4% in overall power pattern.

Use of least hazardous/organic fertilisers

We use agrochemical, of the WHO class category, which are least hazardous and do not use any prohibited chemicals.

Knowledge sharing

We conduct regular awareness sessions for the local communities on conservation of ecosystems, water, flora and fauna, and waste management aligned to Rain Forest Alliance (RFA) certification. We also conduct trainings at neighbourhood schools on topics related to environment protection.

Trainings on awareness related to critical operations at plantations are conducted for estate personnel including migrant labour on a regular basis. We issue monthly Advisory Circulars to estates and to our customers on updated current/new trends in cultivation practices, pest and disease management and post-harvest technology.

Sustainability at our facilities

Tata Coffee is committed to playing a leading role in climate change by adopting environment friendly technologies. We follow multi-fold approach in our endeavour to offset the effect of climate change in our activities.

- Measuring our carbon footprint by being pioneers in plantation industry.
- Engaging actively in advocating and shaping climate change regulations.

At Tata Coffee, we have various initiatives on environment protection and carbon reduction over short and long term to allocate resources and sharpen focus. These include rainwater harvesting, use of renewable energy like wind and solar, solid waste management and so on. There are continuous improvement projects round the year to create an eco-friendly work environment like reduction in energy consumption and reduction in specific water consumption, among others.

Our environment stewardship extends beyond our premises and we actively educate, support and encourage our vendors and partners to adopt environmentally sound and sustainable practices

A systematic approach to environment management requires a holistic view of the arena to continuously improve the same. We have institutionalised an Environmental Policy to articulate measurable targets for key environmental performance indicators – energy, emissions water and waste, among others.

Our Integrated Management Systems (IMS) adhere to international standards, combining quality assurance, environmental management and occupational health and safety into a common framework, enabling alignment across functional areas and operational aspects. Environmental aspects are governed by overarching ISO 14001:2015 standards.

Environmental management in the instant coffee division

Our goal is to establish a culture of care, demonstrating leadership through performance improvements at our award-winning manufacturing facilities in Toopran and Theni and we demonstrated consistent improvement.

The manufacturing facilities are certified for IMS which incorporates all systems and processes in one unified framework to drive excellence in sustainability. We have also implemented Sustainability Performance Management (SuPM) software, designed to capture relevant data at source and translate them into dashboard to aid decision-making at various levels in the organisation.

Both the units of instant coffee division at Theni and Toopran are certified under latest versions of Environmental Management System i.e., ISO 14001: 2015 complying with the stringent norms of the same. Focusing on environmental sustainability initiatives, the units are certified with UTZ and RFA as well.

Energy efficiency and renewable energy

As a Tata Company and an environment-friendly organisation, we are cognisant of our role in combating climate change. We have been successful in improving the efficiency of our processes and reducing the specific consumption of resources for all our product lines. We have aggressively promoted renewable energy at our manufacturing facilities, from solar and wind energy generation to biomass.

Theni Unit of Instant Coffee Division invested on Condensate Recovery System. This initiative led to an increase of condensate recovery factor from 62% to 79% with an annualized water reduction consumption of 5000KL and 900MT coal.

Business Responsibility Report [Contd.]

Managing water and waste

Effective water management is critical to the overall sustainability of our operations and we seek to progressively reduce the quantity of water consumption, expand water conservation measure at our facilities and replenish groundwater levels at our communities. Coffee processing is carried out using advanced Columbian and Brazilian pulping technologies, which ensure minimum water usage, thereby bearing a direct impact on water consumption and pulping discharge. Indigenous pulping units with low water consumption have been commissioned to reduce and recycle the treated water for irrigation. Through measures to improve water conservation and efficient use, we have reduced our specific water consumption consistently.

An on-site Effluent Treatment Plant (ETP) and a Reverse Osmosis (RO) system ensures that our wastewater and liquid effluents are effectively treated following the Reduce, Recycle and Reuse (3R) principle. Our plant at Theni is a Zero-Liquid-Discharge (ZLD) facility and has systems in place to reduce, reuse and recycle the wastewater generated. ~26 kilo litres per day (KLD) of effluent water is treated and reused in the boiler and other utility equipment at Toopran.

Waste management practices are implemented across our operations, divisions and supply chain, based on the 3R principles. We continually seek opportunities to minimise waste and conserve resources, leading to a reduction in the specific waste generated. We have installed electrostatic precipitators (ESPs) for our boiler operations to control and improve boiler stack emissions, unique to this industry.

Theni Unit of Instant Coffee Division invested on Condensate Recovery System. This initiative led to an annualized water reduction consumption of 5000KL.

Sustainable procurement

At Tata Coffee, we select our suppliers and service providers fairly and transparently and expect them to adopt ethical standards comparable to our own. Our value chain partners, including suppliers, service providers and distributors, are bound by the Tata Code of Conduct.

We expect our suppliers to adhere to environmental and social standards as mentioned in the Tata Code of Conduct. We conduct vendor/supplier meets, where we discuss the expectations of the Code of Conduct. We also prefer to source products/services, which are environmentally sustainable. For example, we procure energy-efficient motors, other electrical accessories and appliances. All IT assets are sourced from companies complying with sustainability standards.

In line with our objective of promoting inclusive development, we promote local sourcing. Some of the products and services procured locally are:

- Agri briquettes (used as a primary fuel for our instant coffee factory in Toopran)
- Agro-chemicals
- Maintenance and civil works as well as procurement of material
- Transport of green coffee from our estates to Kushalnagar and tea from Anamallais to Kochi

We also undertake business with small traders at our estates in remote areas. Personnel for security and other facility management services are sourced locally.

PRINCIPLE 3: EMPLOYEES' WELL-BEING

BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

Tata Coffee aims to create a working environment which supports the holistic development of its employees. We have developed different programmes to cater to the development needs of our employees.

A profile of our employees is given below.

Employee category	< 30 years	30 – 50 years	> 50 years	Total Nos.
Permanent employees	195	3266	2226	5687
Retainers	0	0	1	1
Casual/Temporary	2565	3816	985	7366
Contractual employees	172	353	44	569
Total	2932	7435	3256	13623

Employee well-being

Tata Coffee provides a host of benefits and services to its employees and most of this is well beyond statutory requirements to meet the needs of different categories of employees. Tata Coffee also has robust employee health and wellness initiatives in place, which cut across geographies and segments of workforce.

For staff and workers, periodic health check-ups, de-addiction and 'Art of Living' programmes are conducted across locations.

Talent development

Our Company focuses on welfare and improving skills and knowledge of employees by providing training and development. We study the training needs of our employees, including non-management staff at locations and business levels and provide relevant training programmes.

We train our employees on critical current operations-related matters and future strategic needs. We also devote focus on subjects like ethics and values and animal conflict management. The course includes organisation-wide behavioural training identified in the beginning of the year e.g. Food safety and workplace Safety & health, Hygiene training, among others. We also organise various trainings based on the feedback of employees and managers as part of the performance appraisal process. This includes technical, behavioural and functional trainings. We have introduced subjects like Plantation Law, amongst others, in our training calendar to address the needs of the statutory changes that can affect our business.

Employee engagement

Tata Coffee deploys robust processes fostering a culture reflecting open communication. Structured actions, such as periodic management and HR connects, review meetings, conversations and exit interviews, are implemented by the HR department in partnership with businesses. We regularly conduct engagement surveys to assess employee engagement and satisfaction levels. Based on the feedback from the surveys, programmes are planned to improve the morale of the employees. The recent YOU survey has indicated significant improvement in critical engagement factors.

Critical engagement factors (on a scale of 0 – 5)	YOU 2017	YOU 2019
Overall satisfaction	4.47	4.70
Overall advocacy	3.89	4.31
Overall loyalty	3.96	4.37
Leadership effectiveness index	3.70	4.12
Effective communication	3.52	3.95
Execution excellence – authority to do job well	3.52	4.01
Learning opportunities – learning and growth	3.90	4.35

We celebrate CSR week where all employees proactively participate in the CSR initiatives. We celebrate major festivals, where everyone comes together and have a good time.

The Company focuses on building best-in-class reward and recognition practices and has deployed a portal 'Blending Excellence' in order to encourage and foster employee engagement. Monetary as well as non-monetary rewards are provided to the employees as part of this programme.

Diversity and inclusion

We provide equal opportunities to all our employees and do not promote any unfair practices on any grounds, including race, caste, religion, colour, ancestry, marital status, gender,

sexual orientation, age, nationality, ethnic origin, disability or any other category protected by applicable laws. Our policies provide clear terms of employment, training, development and performance management. When recruiting, developing and promoting our employees, our decisions are based solely on performance, merit, competence and potential.

In the fiscal year 2019-20, we onboarded one differently-abled employee, in accordance with our policy, which specifies the presence of one differently-abled representative in the talent management team.

Occupational Health and Safety (OHS)

Safety, being one of our Values and with vision of Zero Harm, TCL embarked on a journey of Safety excellence with aim that no one working in our operations gets hurt. We have a dedicated Safety, Health and Environment (SHE) Council which reviews our SHE performance every month. Also, as part of our safety management system, there are safety coordinators at each of the sites/location who ensure the required safety procedures and rules are followed, including training programmes to educate workers on how to carry out their work correctly and safely with a special focus on handling of machinery and agro-chemicals. We are the only coffee plantation company to be certified for Social Accountability 8000, invigorating our commitment to the well-being of our workforce.

We conduct regular risk assessment (Hazard Identification and Risk Analysis or HIRA), safety training, systematic trainings based on operational control plan (OCP), mock drills, first aid trainings and regular medical check-ups. All major hazards, including working at height (WAH), human-elephant conflict (HEC), and irrigation and fire hazards are identified, and we have proper mitigation plan for all of these. Chemical storage areas and locations where agrochemicals are mixed and distributed are equipped with eye-wash facilities to wash eyes in case of any emergency. All workers who apply, handle, transport or encounter agro-chemicals or other chemical substances are well trained. Welfare and safety audit is conducted annually through external agency covering workplace and labour lines to assess and ensure health and welfare facilities of workmen.

Some of the key activities undertaken during the fiscal year are listed here:

- Robust SHE governance mechanism across all locations starting with Senior leadership team
- Review and Roll out of SHE and Road & Driving Safety Policy

Business Responsibility Report [Contd.]

- 'Felt Leadership' workshop for senior leadership and certification programme for safety coordinators across locations
- Focus and roll out of Proactive Safety Indicators (PSI)
- Focus work group created on work on mitigation on risk activity
- Safety Campaigns initiated: i-Drive Safe and Zero Harm Pepper
- Executed safety audits process improvement
- Use of technology and various improvement projects on safety
- Focus on emergency planning and mock drills
- Increased safety trainings and communication on safety
- Focused awareness for employees on HEC

There has been no fatality in our operations and overall 18.8% reduction in total recordable injuries in this FY with respect to last year and ~31% increase in manhours training.

Details on key performance indicators are listed below:

Safety & Health Performance	2017-18	2018-19	2019-20
Number of unsafe situations observed – behaviours, conditions, near misses	14368	20841	21624
Total Training manhours	74238	82017	107137
Number of health awareness sessions conducted	555	690	890
Number of fatalities	4	1	0
Number of total recordable cases (TRC)	134	96	78
Number of Lost Time Injuries (LTI)	103	78	67
Number of major fires	2	0	1
Number of HIPO (High Potential) incidents	2	4	26

Details on the percentage of employees given safety and skill upgradation training last year are listed here.

Employee category	Percentage
Permanent employees (PE)	93%
Permanent women employees	92%
Casual/Temporary/Contractual employees	100%

PRINCIPLE 4: STAKEHOLDER ENGAGEMENT:

BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED

At Tata Coffee, we believe in being responsible and sensitive to our stakeholders. We strive to be caring, respectful and compassionate to our employees and customers around the world, and always work for the benefit of the communities we serve. Our objective is to ensure that we return to the people much more than what they have invested in us – in every country, community and environment where we work.

Depending on a direct relationship of impact, influence and proximity or relevance, we have identified the following stakeholder groups for engagement:

- Customers
- Employees
- Investors
- Suppliers and other value chain partners
- Local communities, especially the disadvantaged and the vulnerable sections
- NGO partners

In running our businesses, we consider the interests and concerns of our stakeholders. We have different mechanisms through which we engage with them and understand their concerns. Details of mode of engagements and stakeholder concerns are discussed below.

We have developed organisation-wide processes to ensure that stakeholder interests are attended to and concerns are addressed. We regularly communicate on our policies and processes to stakeholders and have provided avenues to raise concerns or queries in good faith, or report instances of actual or perceived violations of our Code.

We also developed targeted programmes to contribute to the well-being of our stakeholders.

PRINCIPLE 5: HUMAN RIGHTS

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Tata Coffee respects human rights and upholds its highest principles.

Gender Diversity

Out of the workforce base of 13623, we have ~53% of female employees across the Company and across all the Business Units, including Corporate functions.

Child and forced labour

At Tata Coffee, child labour is strictly prohibited. We actively work towards putting children back in schools.

We do not deploy forced labour of any form in our operations and encourage our suppliers, vendors, contractors and other business partners associated with the Company to follow the principles laid out in the Tata Code of Conduct.

Once in a two-year period, we conduct welfare audits employing external agencies to assess the welfare index of the estates. These audits cover aspects like child, forced or bonded labour.

Freedom of association and collective bargaining

We recognise the right of employees to join associations or involve themselves in civic or public affairs in their personal capacities, provided such activities do not create an actual or potential conflict with the interests of our Company. We expect our employees to notify and seek prior approval for any such activity as per the Conflicts of Interest clause of the Tata Code of Conduct and in accordance with applicable Company policies and laws. 90% of our employees are part of this recognised union.

POSH

We, at Tata Coffee, have zero tolerance for sexual harassment at workplace and have adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace. The policy aims to provide protection to employees at the workplace and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. We have also constituted an Internal Complaints Committee, known as the POSH Committee, to enquire into complaints of sexual harassment and recommend appropriate action.

During FY 2019-20, the Company received 6 complaints on sexual harassment, 5 of which have been disposed of and appropriate actions taken.

PRINCIPLE 6: ENVIRONMENT

BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

Our environment stewardship extends beyond our premises and we take due cognisance of the ecosystem in which we operate. We operate in a biodiversity hotspot – the Western Ghats – and therefore, it is of prime importance for us to protect the rich heritage of the region. We identify, protect and restore existing natural ecosystems, both inside and outside our estates.

Forest and wildlife conservation

Tata Coffee's estates, along with neighbouring areas, are home to about 3,049 native species of flora and 496 species of

wildlife. As a standard practice, we do not harvest threatened or endangered plants or tree species. We established a buffer zone by planting permanent native vegetation (Acalypha) bushes in order to promote biodiversity, minimise any negative visual impact, and reduce the drift of agrochemicals, dust and other substances emanating from our agricultural or processing steps. We conduct annual surface water analysis to check the drift and erosion of chemicals to water bodies.

We maintain an inventory of wildlife and wildlife habitats found on our estates through a wildlife-sighting register. Hunting, capturing, extracting and trafficking wild animals are strictly prohibited on the estates. Our Wildlife Cells help mitigate potential HEC and create feeding sites for the animals in reserve forests.

Initiated a project for greening and planting of vetiver plant in the landslide prone areas across Coorg district as part of our CSR and volunteering program in this year.

The Company was awarded the 'Excellence in Work Place Safety' trophy for its elephant conservation project, at the Confederation of Indian Industry IQ National Safety Competition.

Water conservation

We undertake water conservation projects as part of our CSR programme. We partner with the Water Literacy Project for rejuvenating lakes, thereby maintaining hydrological balance at selected areas.

PRINCIPLE 7: POLICY ADVOCACY

BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

Our Company's approach to advocacy is guided by the Tata Code of Conduct. The Code provides that any contact by the Company or its business associates with government, legislators, regulators or NGOs must be done with ethics, fairness, transparency and in compliance with applicable laws. Only authorised and appropriately trained individuals can interact with these organisations. Prior internal approval is required for initiating any contact between the Company, its representatives and officials, aimed at influencing regulation or legislation.

Tata Coffee has been actively participating in various forums relevant to the industry, the Company and its stakeholders. We are associated with the following industry bodies.

- United Planters' Association of Southern India
- Karnataka Planters' Association and Kodagu Planters' Association

Business Responsibility Report [Contd.]

Tata Coffee is a member of the Confederation of Indian Industry (CII) that works to create and sustain an environment conducive to the Indian industry's growth, partnering industry and government alike through advisory and consultative processes. Being a member of such a prestigious industrial development wing, Tata Coffee demonstrated the best practices of effective environmental management.

We are also associated with Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI) and have actively participated in the industrial improvement activities organised by the Federation.

PRINCIPLE 8: INCLUSIVE GROWTH:

BUSINESS SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

At Tata Coffee, we believe in inclusive growth and thus community care and development form an integral part of our agenda. We are committed to making lasting difference through our Corporate Social Responsibility initiatives.

We promote inclusive growth and equitable development by working towards the socio-economic and environmental well-being of the communities in which we operate. We focus on a multitude of areas, such as education, health care, ecosystem restoration and skills development.

Our approach

Our programmes are aligned to the critical needs of the communities where we operate. All the programmes are implemented on the ground through partnerships in different capacities with credible NGOs in the space.

CSR programmes and initiatives

Tata Coffee identified health, children with disabilities, restoration of hydrological balance and skill development as key focus areas for the Company-wide CSR programme, in line with Tata group's ideologies.

Restoration of hydrological balance

One aspect of Tata Coffee's core value, 'Responsibility' is restoration of hydrological balance. We work to restore lakes using an innovative lake-in-lake method, in which we are supported by our NGO partner – Water Literacy Foundation. The objective of the programme is to eradicate water shortage faced by the communities in selected geographies and to ensure water security. This prevents migration of local communities due to water stress and mitigates the risk of labour shortage in our business.

Skill development for women

Tata STRIVE, the first Tata group CSR programme is an initiative of Tata Community Initiatives Trust and is intended to address

the pressing need of skilling India's youth for employment, entrepreneurship and community enterprise. The programme develops skills of people from financially challenged backgrounds and acclimatises them with the changing work environment.

In association with Tata STRIVE, we work for the cause of women empowerment by skilling them to enhance their employability and bring forth positive change. This Financial Year, we provided automobile sale consultant training to women from the local community in Coorg.

Site-specific programmes

Tata Coffee implemented several community initiatives at different geographies where our plantations and factories are located. Details of the programmes are listed here.

Coorg

- Coorg Foundation: It was established in 1994 and is a separate and independent social wing to better shape and scale our community initiatives at Coorg. The Foundation promotes welfare of the local community through a host of economic, environmental and social initiatives.
- Swastha: This Centre for Special Education caters to the needs of the differently abled in the district of Kodagu. The school imparts special education and vocational training to the differently abled children in the age group of 6 through 18. Students are trained in tailoring, book binding, paper bag making, painting hoardings, Artefacts and paper cup making and are provided with placement opportunities. The community-based rehabilitation programme under Swastha evaluates the inclusion and normalisation of the differently abled by providing them services in the areas of health and education.
- Rural India Health Project (RIHP) Hospital at Ammathi: Rural India Health Project (RIHP) Hospital situated in the Ammathi village of the Kodagu district was established in 1964. Owned by a charitable trust, it is currently managed by Tata Coffee. The vision of the hospital is to provide the best possible healthcare facilities and advice round-the-clock at affordable cost to the local community by extending the facility of emergency investigations and treatments.

This hospital has 57 beds and is well-equipped with ultramodern facilities. In FY 2019-20, health awareness, health/nutrition and general health check-up programmes were conducted for various schools in and around Ammathi, Kodagu. Free off-site medical camps and first-aid awareness programmes for common accidents and protocols to shift patients were also part of 2019-20 programme.

Toopran

- Conducting an alcohol de-addiction awareness program using folk songs or street play
- Setting up an energy conservation programme using LED lamps with external cover box
- Launching of a multi-grade multi-level conceptual education project for overall development of students on various subject matters
- Providing merit-based scholarships to 5 government schools students of Class 10.

Swacha Gramam: This is a cleanliness initiative that forms part of our CSR project, which focuses on improving the hygiene and environment of Brahmanpally Panchayat (covering the villages of Venkatapur, Brahmanpally and Padalapally) in Toopran. Brahmanpally Grama Panchayat acts as the governing body that oversees the sanitation of the villages, including cleaning of drain lines, sludge removal, dustbins and other unhygienic areas. The Company provides financial support upon verification of the sanitation facilities provided by the Panchayat.

Theni

- Organising diabetes health camp, providing medicine, retinopathy check-up and general health camp for the elderly
- Providing nutritious supplement and medicine for 560 adolescent girls
- Providing amenities and tailoring machines to the women groups.
- Cleanliness campaign and volunteering around plastics waste awareness

Anamallais

- DARE Project: Developmental Activities for Rehabilitative Education or DARE was started in 1996, to work towards the well-being of children with special needs from among the workers' population. The various activities that take place at the centre include meditation, exercises, physiotherapy (for the children who need it), art and craft, stitching, embroidery, candle making, washing powder making, office covers and basket weaving, apart from games and supervised activities. Proceeds from the sale of these products are deposited into the post office accounts of the respective children.
- Uralikal Central Hospital: It is a 50-bedded hospital run by the Company in Anamallais, which provides free medical

aid to our 6,000-plus strong workforce. The hospital also extends free medical aid to the indigenous population in the settlements on the periphery of our estates and holds medical camps. Medical aid is offered to outsiders at subsidised rates. This is the main referral hospital for the 6 estate hospitals located in our estates in the Anamallais.

- Akshara Vidyasharam: This primary school opened its doors to the children of Anamallais in 2007, with the aim of providing quality education at affordable cost. The school is run on a not-for-profit basis, by Tata Coffee Wives' Association. It caters to the children from lower kindergarten to Class 5. The school adopts the CBSE Board syllabus and has smart class facilities. In addition to this, the school has a computer laboratory, besides art, yoga and music classes.

Hassan

In Hassan, we undertook initiatives to supply drinking water to the local community. A hospital and a school were provided with water purifiers, a new pump set, and pipeline was installed at a village panchayat.

Valparai

We conducted medical camp for the indigenous community and an eyecare camp for the people of Valparai. We also sponsored students belonging to SC/ST community in and around our estates to undergo training at the Unnati centre. We also supported school students from the community.

Post flood support in Kodagu

Post devastating landslides and floods on account of heavy rains and a minor earthquake at Kodagu, Karnataka, the Company's quick response prevented any loss of life in the estates. Our teams in the estate cleared blocked roadways; provided firewood, diesel and water to those displaced; and relocated them to camps when needed. Swastha operated a community kitchen and distributed relief supplies such as bedsheets, bath towels, blankets, woollen caps, clothing and food. We also raised funds to assist in the rehabilitation of school children. Our Chief Medical Officer at the Rural India Health Project Hospital, the medical Centre at Ammathi, near Kodagu, visited the relief camps and offered aid and advice.

Our employees too volunteered their time and resources with Tata Sustainability Group, to help with purchasing, packing and warehousing of relief supplies and post flood providing local support in building 2 Anganwadi in Kodagu district for children's in the region. Group-level community welfare initiatives

- Tata Engage: This is a group level volunteering programme with the objective of sensitising Tata employees to

Business Responsibility Report [Contd.]

social causes, encouraging them to get involved in the community, and providing them with the opportunity to contribute to community. As part of this programme, Tata Coffee employees contributed 14,687 volunteering hours. We remain among the top 3 in the Tata group with highest recorded hours spent on volunteering activities across sites.

Other community welfare activities

The senior leadership of the Company is involved in different community activities. We are associated with the Little Sisters of the Poor, Karnataka Association for the Blind and Karunashraya Bangalore Hospital Trust, and our leaders volunteer at these three organisations, besides supporting them financially.

PRINCIPLE 9: CUSTOMER VALUE:

BUSINESS SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

Customer centricity is one of the core pillars of our business and it is cascaded to every Tata Coffee employee. The intricate system that we have in place to listen to and anticipate customer requirements has helped us deliver a range of new, improved and customised products.

We have different mechanisms to build relationships with our customers and we continuously engage with them to understand their concerns and be more responsive to their needs. Key mechanisms to capture customer inputs are customer meets and the customer satisfaction survey.

Our Company has a robust system for tracking customer grievances and complaints, the Complaint Management System. Its objective is to manage feedback effectively and

convert dissatisfied customers into delighted ones. The complaint management process follows a detailed protocol involving registration of complaints, conducting a root-cause analysis under the concerned department, directly engaging with the customer via multiple stake-holders if necessary and consequently closing the feedback from the customer.

Through our customer-centric approach and quality management focus, we have achieved a continuous reduction of customer complaints year on year. For our instant coffee division, the number of customer complaints received in FY 2019-20 were 47, of which 4 complaints are pending to be resolved as of March 31, 2020. For our green coffee division, we received 6 complaints in FY 2019-20 and one complaint is pending resolution.

Our emphasis on innovation is demonstrated by the large number of new products commercialised in the last Financial Year. A total of 13 new products and 45 modified products were developed by the New Product Development (NPD) department of our instant coffee division.

Driving operational excellence through various certifications

Our food safety certifications, Halaal and Kosher, specifically address concerns of different customs. Our UTZ certification is for our sustainable farming and sourcing of beans from farms to produce soluble coffee.

Global Food Safety Initiative (GFSI) is another organisation which plays an important role in food safety systems. GFSI has benchmarked existing food safety schemes. The current list of GFSI schemes includes FSSC 22000, SQF, British Retail Consortium (BRC) and others. It does not include ISO 22000.

The Business Responsibility Report can be viewed on the Company's website at <https://tatacoffee.com/sites/default/files/collaterals/Business-Responsibility-Report-2019-20.pdf>

Independent Auditor's Report

To The Members of Tata Coffee Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Tata Coffee Limited ("the Company"), which comprise the Balance Sheet as at March 31 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Growing Produce (Existence and Valuation)</p> <p>Produce of coffee, tea and pepper growing on the bearer plants ("growing produce") are measured at fair value based on their biological transformation.</p> <p>The fair valuation of the growing produce is significant to our audit on account of the significant management judgements applied in determining estimated quantity and transformation based on factors like stage of growth (determined based on the visible growth and systematic crop estimation) and harvesting cycle of the crops and their fair values less costs to sell which is based on factors like established conversion norms and the published rates.</p>	<p>With respect to the existence of the growing produce of coffee, tea and pepper:</p> <ol style="list-style-type: none"> 1. Obtained an understanding of the significant management judgements applied in determination of the quantity and biological transformation of the growing produce. 2. Evaluated the design of internal controls relating to the management's process of making judgments and estimates relating to quantity, biological transformation, and also tested the operating effectiveness of the aforesaid controls. 3. Retrospectively compared the actual harvest data with the growing produce that was estimated and recorded by the management prior to harvest to assess the reasonableness of the process of prior estimation by the management and also to assess the reliability of the basis of management judgement in estimating growing produce as at the balance sheet date.

Independent Auditor's Report [Contd.]

Sr. No.	Key Audit Matter	Auditor's Response
	<p>Refer to Note 8 and Note 39 of the standalone financial statements for the fair value measurement, Note 2.2.(h) for accounting policies and Note 2.3.(iv) relating to Valuation of Agricultural Produce under Key accounting judgements, estimates and assumptions.</p>	<p>With respect to valuation of growing produce:</p> <ol style="list-style-type: none"> 1. Evaluated the design of internal controls relating to the management's judgments and estimates for determining fair value less cost to sell and also tested the operating effectiveness of the aforesaid controls. 2. Validated the market information considered by the management in determining the fair values. 3. Compared the estimate of costs to sell to the actual selling cost incurred during the year to validate the reasonability of the estimate of costs to sell considered in determining fair values as at the Balance Sheet date. <p>Tested the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.</p>
2.	<p>Inventory of raw / cured coffee beans ("green coffee beans"), tea and pepper (Existence and Valuation)</p> <p>Physical verification of green coffee beans, tea and pepper was performed by the management subsequent to the year end due to the restrictions imposed on account of COVID-19.</p> <p>Finished goods inventory are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always a volatility in the selling price of green coffee beans, tea and pepper, which is dependent upon various market conditions and the possible impact of COVID-19, determination of the net realizable value for green coffee beans, tea and pepper involves significant management judgement and therefore has been considered as a key audit matter.</p> <p>The total value of finished goods (commodities) as at 31 March, 2020 is ₹11,477.12 Lakh. Also refer to Note 2.3.(iv) relating to Valuation of Agricultural Produce under Key accounting judgements, estimates and assumptions.</p>	<p>With respect to the existence of green coffee beans, tea and pepper as at the year end:</p> <ol style="list-style-type: none"> 1. Evaluated the design and implementation of the controls over physical verification of inventory and tested the operating effectiveness of these controls during the interim periods. 2. Due to the COVID-19 related lock-down we were not able to participate in the physical verification of inventory that was carried out by the management subsequent to the year end. Consequently, we have performed the following alternate procedures to audit the existence of inventory: <ul style="list-style-type: none"> • Participated in the physical verification of inventory of green coffee beans, tea and pepper conducted by the management subsequent to the year end, through video calls and performed roll back procedures. • Compared the sum of disaggregated data of quantity of fruit coffee and pepper that was picked by the workers during the season ongoing as at the balance sheet date, with the aggregate quantity of harvested produce of fruit coffee and pepper considered by the management and obtained and tested the explanations for material differences, if any, between the two sets of data. • Compared the sum of disaggregated data of quantity of raw coffee transferred by the plantations to the curing unit and obtained and tested the explanations for material differences, if any, between such data and the quantity considered as physical inventory as at the Balance Sheet date. • Verified the following conversions: (a) the quantity of fruit coffee picked into raw coffee and (b) the raw coffee received at curing unit into cured coffee and (c) the quantity of fruit coffee into cured coffee, each by applying the established conversion norms and ensured that the quantity of coffee considered as inventory by the management agreed with such converted quantities.

Sr. No.	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> • In case of pepper, verified the management estimate of grades of the harvested produce of pepper and compared the same with the historical pattern of grades of harvested pepper and developed a sensitivity analysis to understand whether a material variation to the value of inventory would be caused due to changes in grades. • In case of tea, for the stock held at estates, which have been subsequently despatched to third party warehouses, obtained direct confirmation of the inventory held by third party warehouses subsequent to the year end and performed roll back procedures. • For stocks held at third party warehouses, obtained direct confirmation of the inventory held by them as at the year end. <p>With respect to the net realisable value:</p> <ol style="list-style-type: none"> 1. Obtained an understanding of the determination of the net realizable values of green coffee beans, tea and pepper and assessed and tested the reasonableness of the significant judgements applied by the management. 2. Evaluated the design of internal controls relating to the valuation of green coffee beans, tea and pepper and also tested the operating effectiveness of the aforesaid controls. 3. To assess the reasonableness of the net realisable value that was estimated and considered by the management: <ul style="list-style-type: none"> • With respect to the committed stock of green coffee beans for which the Company has entered into contracts with the respective customers, on a sample basis, compared the net realisable value with the rates as per the said contracts; • With respect to the uncommitted stock of green coffee beans, obtained the market information relating to coffee prices and assessed the reasonableness of the adjustments that were made to such market prices to estimate the net realisable value; • With respect to the uncommitted stock of tea and pepper, obtained the latest realization rates / market information relating to prices and assessed the reasonableness of the adjustments that were made to such market prices to estimate the net realisable value; • Verified the publicly available market information to assess if there has been significant decrease in the rates subsequent to the year end. 4. Compared the actual costs incurred to sell based on the latest sale transactions to assess the reasonableness of the cost to sell that was estimated and considered by the management. 5. Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value. <p>Tested the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.</p>

Independent Auditor's Report [Contd.]

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, Corporate Overview, Key Highlights, Directors' Report, Report on Corporate Governance, Management Discussion & Analysis Report, Business Responsibility Report, etc., but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone

financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the

Independent Auditor's Report [Contd.]

- remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements ;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Place: Bengaluru
Date: May 5, 2020

Balaji M N
Partner
(Membership No. 202094)
(UDIN: 20202094AAAAAR7498)

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 Coffee Limited (“the Company”) as of March 31, 2020 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Independent Auditor's Report [Contd.]

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, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Balaji M N
Partner

Place: Bengaluru
Date: May 5, 2020

(Membership No. 202094)
(UDIN: 20202094AAAAAR7498)

"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 fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation 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/amalgamated companies as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for working capital facilities are held in the name of the Company based on the confirmations directly received by us from the lender. 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 (including the verifications conducted by the Management post year end on account of the lock-down) and no material discrepancies were noticed on physical verification. With respect to inventory of tea lying at third party warehouses, the Company has obtained confirmations from such warehouses for the inventory held by them as at the year end and no material discrepancies were noticed based on such confirmations obtained.
 - (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 Act 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 deposit during the year. The Company does not have any unclaimed deposits and therefore the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable.
 - (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for manufacturing of coffee and tea. 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 Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.
 - (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, Customs Duty, Goods and Service 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, Customs Duty, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2020 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 Involved (₹Lakh)	Amount Unpaid (₹Lakh)
Income Tax Act, 1961	Income Tax (including interest)	Commissioner of Income Tax (Appeals)	AY 2012-13 AY 2015-16	1667.70 2930.14	366.68 731.85
Andhra Pradesh VAT & CST Acts	Sales Tax	Appellate Tribunal Appellate	FY 2005-06	2.82	1.40

- (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 did not have dues to financial institutions, government and to debenture holders.
- (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 material 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 have paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (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 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) 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 directors of its holding or subsidiary company or persons connected with them and hence provisions of section 192 of the Act 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)

Balaji M N
Partner

Place: Bengaluru
Date: May 5, 2020

(Membership No. 202094)
(UDIN: 20202094AAAAAR7498)

Balance Sheet

as at March 31, 2020

Particulars	Note	₹ Lakh	
		2020	2019
ASSETS			
Non-current assets			
Property, Plant and Equipment	1 (a)	38172.57	37795.98
Capital Work-in-progress	1 (a)	5530.89	4441.38
Right-of-Use Assets	1 (b)	27.67	-
Investment Property	2	5004.22	5095.54
Intangible Assets	3	182.37	203.57
Financial Assets			
Investments	4	22538.24	22070.95
Loans	5	15.95	32.06
Other Financial Assets	6	79.40	821.48
Non-Current Tax Assets	17	1419.21	2288.30
Other Non-current Assets	7	174.96	1340.92
		73145.48	74090.18
Current assets			
Inventories including Biological Assets	8	25171.36	25239.89
Financial Assets			
Investments	4	10904.03	8541.40
Trade Receivables	9	11165.13	9786.45
Cash and Cash Equivalents	10	433.69	210.34
Other Bank Balances	10	238.01	259.55
Loans	5	340.87	1735.10
Other Financial Assets	6	1842.68	2972.16
Other Current Assets	7	3020.80	1738.21
		53116.57	50483.10
Non Current Assets held for sale	11	80.41	76.58
TOTAL ASSETS		126342.46	124649.86
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12 (a)	1867.70	1867.70
Other Equity	12 (b)	98182.32	95199.16
Total Equity		100050.02	97066.86
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease Liabilities	14 (b)	12.89	-
Other Financial Liabilities	15	409.78	232.01
Provisions	16	4188.49	3364.13
Deferred Tax Liabilities (Net)	17	1326.88	2584.42
		5938.04	6180.56
Current liabilities			
Financial Liabilities			
Borrowings	14 (a)	7102.72	8790.28
Lease Liabilities	14 (b)	20.06	-
Trade Payables:-			
(a) Total outstanding dues of Micro and Small Enterprises	18 (a)	56.09	73.31
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	18 (b)	3738.16	3958.97
Other Financial Liabilities	15	7146.61	6550.36
Provisions	16	340.48	910.72
Current Tax Liabilities	17	105.79	189.09
Other Current Liabilities	19	1844.49	929.71
		20354.40	21402.44
TOTAL EQUITY AND LIABILITIES		126342.46	124649.86

The accompanying significant accounting policies and notes form an integral part of the Standalone financial statements.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

BALAJI M N

Partner

Membership No. 202094

Place: Bengaluru

Date: May 5, 2020

CHACKO PURACKAL THOMAS

Managing Director & CEO

V. LEELADHAR

Director

K. VENKATARAMANAN

Executive Director - Finance & CFO

N. ANANTHA MURTHY

Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2020

Particulars	Note	₹ Lakh	
		2020	2019
INCOME			
Revenue from operations	20	71943.72	70290.85
Other Income	21	5630.97	5391.97
Total Income		77574.69	75682.82
EXPENSES			
Cost of materials consumed	22 (a)	24074.76	22566.51
Purchases of Stock-in-trade	22 (b)	7067.65	5723.14
Changes in Inventories of finished goods, work-in-progress, Stock-in-trade and Biological Assets	22 (c)	(79.86)	179.67
Employee benefits expense	23	18557.27	18567.14
Finance costs	24	790.92	813.71
Depreciation and amortisation expense		2467.48	2319.13
Other expenses	25	16728.87	17335.05
Total Expenses		69607.09	67504.35
Profit before exceptional items and tax		7967.60	8178.47
Exceptional Items	26	575.00	1611.27
Profit before tax		8542.60	9789.74
Tax Expense			
Current tax		2030.27	2513.73
Deferred tax		(808.71)	117.93
Total tax expense		1221.56	2631.66
Profit for the year		7321.04	7158.08
Other Comprehensive Income		(952.77)	28.27
Items that will not be reclassified to profit / (loss)		(109.24)	(274.01)
Remeasurements of the defined benefit plans		(477.94)	(101.53)
Equity instruments through other comprehensive income		265.12	(141.36)
Income tax relating to items that will not be reclassified to profit or loss		103.58	(31.12)
Items that will be reclassified to profit / (loss)		(843.53)	302.28
Effective portion of Gains / (Loss) in cash flow hedges		(1184.66)	464.64
Income tax on items that will be reclassified to profit or loss		341.13	(162.36)
Total Comprehensive Income for the year		6368.27	7186.35
Earnings per equity share			
Basic & Diluted	35	3.92	3.83

The accompanying significant accounting policies and notes form an integral part of the Standalone financial statements.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

BALAJI M N

Partner

Membership No. 202094

Place: Bengaluru

Date: May 5, 2020

CHACKO PURACKAL THOMAS

Managing Director & CEO

V. LEELADHAR

Director

K. VENKATARAMANAN

Executive Director - Finance & CFO

N. ANANTHA MURTHY

Company Secretary

Statement of Changes in Equity

as at March 31, 2020

	₹ Lakh												
	Equity			Other Equity				Items of Other Comprehensive Income		Total Other Equity	Total Equity		
	Number of Shares	Equity Share Capital	Capital Redemption Reserve	Securities Premium	General Reserves I	General Reserves II	Amalgamation Reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Actuarial Gain/(Loss)		
Balance as at April 1, 2018	186770370	1867.70	10.41	14424.27	16795.30	10322.29	832.53	47935.86	659.24	(9.45)	(821.73)	90148.72	92016.42
Profit for the year							7158.08					7158.08	7158.08
Other Comprehensive Income for the year, net of Income Tax									(141.36)	302.28	(132.65)	28.27	28.27
Total Comprehensive Income for the year									(141.36)	302.28	(132.65)	7186.35	7186.35
Dividends/Tax on Dividend												(3377.42)	(3377.42)
Reversal of Dividend Distribution Tax								1241.51				1241.51	1241.51
Transfer from Retained Earnings Tax								(785.00)					
Balance as at April 1, 2019	186770370	1867.70	10.41	14424.27	16795.30	11107.29	832.53	52173.03	517.88	292.83	(954.38)	95199.16	97066.86
Profit for the year							7321.04					7321.04	7321.04
Other Comprehensive Income for the year, net of Income Tax									265.12	(843.53)	(374.36)	(952.77)	(952.77)
Transfer to Retained Earnings								783.05					
Total Comprehensive Income for the year									(517.93)	(843.53)	(374.36)	6368.27	6368.27
Dividends/Tax on Dividend												(3377.42)	(3377.42)
Transfer from Retained Earnings								(658.35)					
Transfer to Retained Earnings (Net of Deferred Tax) - Transitional impact of Ind AS 116												(7.69)	(7.69)
Balance as at March 31, 2020	186770370	1867.70	10.41	14424.27	16795.30	11765.64	832.53	56233.66	(0.05)	(550.70)	(1328.74)	98182.32	100050.02

The accompanying significant accounting policies and notes form an integral part of the Standalone financial statements.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

BALAJI M N

Partner

Membership No. 202094

Place: Bengaluru

Date: May 5, 2020

CHACKO PURACKAL THOMAS

Managing Director & CEO

V. LEELADHAR

Director

K. VENKATARAMANAN

Executive Director - Finance & CFO

N. ANANTHA MURTHY

Company Secretary

Cash Flow Statement

for the year ended March 31, 2020

Particulars	₹ Lakh	
	2020	2019
Cash flows from operating activities		
Profit Before Tax for the year	8542.60	9789.74
Adjustments for:		
Depreciation and amortisation	2467.48	2319.13
Provision for doubtful advances	5.34	-
Interest Income	(568.99)	(291.63)
Dividend Income from Investments in Subsidiary	(3565.34)	(3548.74)
Dividend income from Other Non Current Investments	(19.98)	(35.17)
Net Gain on Sale of Current Investments	(508.77)	(334.85)
Loss / (Gain) on investments carried at fair value through profit or loss	157.49	(180.83)
Rental Income from Investment Property	(280.75)	(203.04)
Finance Costs	790.92	813.71
Unrealised foreign exchange (gain) / loss	(549.41)	199.91
(Profit) / loss on sale of Property, Plant and Equipment	(540.94)	(1585.73)
Profit on Sale of Biological Assets - Timber (Net)	(658.35)	(784.90)
Service Weightage Expenditure - Provision reversal	(181.50)	-
Sub-Total	(3452.80)	(3632.13)
Operating Profit Before Working Capital Changes	5089.80	6157.60
Movements in Working Capital		
Trade Receivables	(828.49)	672.83
Other Financial Assets	1835.16	773.51
Loans	(89.66)	94.99
Other Current and Non-Current Assets	(81.47)	(413.58)
Inventories including Biological Assets	68.49	(827.35)
Trade Payables	(238.29)	(561.28)
Other Financial Liabilities	(207.87)	362.20
Other Current Liabilities	914.24	47.40
Provisions	(469.95)	(132.88)
Changes in Working Capital	902.16	15.84
Cash Generated from Operations	5991.96	6173.44
Income taxes paid	(1244.49)	(2011.19)
Net Cash Flows from Operating Activities (A)	4747.47	4162.25

Cash Flow Statement [Contd.]

for the year ended March 31, 2020

Particulars	₹ Lakh	
	2020	2019
Cash flows from investing activities		
Interest received	605.55	365.21
Dividends received from Subsidiary	3565.34	3548.74
Other dividends received	19.98	35.17
Payments for property, plant and equipment and Intangibles	(3954.82)	(4589.13)
Rental Income from Investment Property	280.75	203.04
Proceeds from Sale of property, plant and equipment	700.07	1952.24
Profit on Sale of Biological Assets - Timber (Net)	658.35	784.90
Inter Corporate Deposits Placed (Net)	1500.00	4000.00
Net cash outflow on Purchase/Sale of Mutual Funds	(2011.35)	(4870.28)
Sale of Non-Current Investments	1206.84	-
Investment in Subsidiary	(1392.78)	(3176.55)
Purchase of Non-Current Investments	(16.25)	(0.42)
Net Cash Flows from / (used in) Investing Activities (B)	1161.68	(1747.08)
Cash flows from financing activities		
Repayment of Current Borrowings (Net)	(1687.56)	(805.29)
Payment of finance lease obligations	(70.27)	-
Dividend / Dividend Tax	(3377.42)	(3377.42)
Finance Cost paid	(550.55)	(582.20)
Net Cash Flows used in Financing Activities (C)	(5685.80)	(4764.91)
Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)	223.35	(2349.74)
Cash and cash equivalents at the beginning of the year	210.34	2560.08
Cash and cash equivalents at the end of the year	433.69	210.34

The accompanying significant accounting policies and notes form an integral part of the Standalone financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

CHACKO PURACKAL THOMAS
Managing Director & CEO

K. VENKATARAMANAN
Executive Director - Finance & CFO

BALAJI M N
Partner
Membership No. 202094

V. LEELADHAR
Director

N. ANANTHA MURTHY
Company Secretary

Place: Bengaluru
Date: May 5, 2020

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

1. General Information

Tata Coffee Limited (“the Company”) and its subsidiaries (together “the Group”) are engaged in the production, trading and distribution of Coffee, Pepper, Tea and Allied products. The Group has business operations mainly in India, USA and CIS countries, Europe, Africa and Vietnam.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Pollibetta, Kodagu, Karnataka, India. The Company has its listings on BSE Limited and National Stock Exchange of India Limited.

The Financial Statements for the year ended March 31, 2020 were approved for issue by the Company’s Board of Directors on May 5, 2020.

2. Preparation and Presentation of Financial Statements

2.1 Basis of preparation and measurement

a) Basis of preparation

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

Except for the changes below, the Company has consistently applied accounting policies to all applicable periods.

Ind AS 116, Leases: Effective April 1, 2019, the Company has adopted IndAS 116 “Leases” and applied to its Lease contracts existing on April 1, 2019, using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, the comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. Refer Note 14 (b) for further details.

Amendment to Ind AS 12 ‘Income Taxes’: The Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 ‘Income Taxes’ with effect from April 1, 2019. The amendments

require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Since Dividend Distribution Tax is not applicable with effective from April 1, 2020, this amendment will have no impact on the financial statements.

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments:

The Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 2, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

Amendment to Ind AS 19 ‘Employee Benefits’:

The Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 ‘Employee Benefits’ in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that this amendment is currently not applicable.

b) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the nature of product / activities of the Company and the normal time between acquisition of assets/liabilities and their realisation / settlement in cash or cash equivalent. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.2 Significant Accounting Policies:

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

(a) Property, Plant and Equipment

i) Recognition and measurement: Property, plant and equipment including bearer assets are carried at historical cost of acquisition or deemed cost less accumulated depreciation and accumulated impairment loss, if any. Historical cost includes its purchase price, including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. 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 Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All repairs and maintenance are charged to the Statement of Profit and Loss during the financial year in which these are incurred.

ii) Depreciation: Depreciation is provided on assets to get the initial cost down to the residual value. Land is not depreciated. Depreciation is provided on a straight-line basis over the estimated useful life of the asset or as prescribed in Schedule II to the Companies Act, 2013 or based on a technical evaluation of the asset. Cost incurred on assets under development are disclosed under capital work in progress and not depreciated till asset is ready to use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Estimated useful life of items of Property, Plant and Equipment are as follows:

Type of Assets	Estimated Useful Life (in years)
Leasehold Land	Perpetual Lease
Buildings including Water supply System	28-58
Roads - Carpeted / Non-Carpeted	10
Irrigation Systems	10-20
Electrical Installations	20
Plant & Machinery - Continuous Process	18
Plant & Machinery – Others	20
Furniture & Fittings	15
Computers	6
Motor Vehicles	10
Office Equipment	5

The residual values and useful lives for depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or exchange.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised in the Statement of Profit and Loss.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

(b) Biological Assets

Biological assets are classified as Bearer biological assets, and agricultural produce. Bearer Biological Assets which are held to bear agricultural produce are classified as Bearer plants.

Bearer plants are recognised under Property, Plant and Equipment on fulfilment of the following conditions:

1. Are used in the production or supply of agricultural produce;
2. Are expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales

Tea bushes, Coffee bushes, Pepper vines, Cardamom tiller and Shade trees are recognised as Bearer biological assets. These are classified as Mature Bearer Plants and Immature Bearer Plants. Mature Bearer Plants are those that have attained harvestable stage. Cost incurred for new plantations and immature areas are capitalised. Cost includes cost of land preparation, new planting and maintenance till maturity. The cost of areas coming into 'bearing' is transferred to mature plantations and depreciated over their estimated useful lives.

Bearer plants relating to Coffee and Tea bushes, Pepper vines and that of Minor Produces attain harvestable stage in about 3-5 years.

Bearer biological assets are carried at cost less accumulated depreciation and accumulated 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.

Mature bearer plants are depreciated over their estimated useful life. Immature bearer plants are tested for impairment / obsolescence. The estimated useful life of mature bearer plants is as follows:

Type of Bearer Biological Assets	Estimated Useful Life (in years)
Arabica Coffee Plants	30
Robusta Coffee Plants	58
Tea Bushes	58
Pepper Vines & Cardamom Tillers	35
Silver oak and Shade Management Trees	35

Refer Para 2.2. (h) for accounting of agricultural produce.

(c) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used in the production of goods and services or for the administrative purposes is 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 losses, 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 estimated useful lives. The Company's depreciable investment properties have a useful life of 50 years.

(d) Intangible Assets - Computer software

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.

(e) Impairment of Tangible and Intangible assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

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.

(f) Non-current assets held for sale

Non-current assets held for sale are presented separately in the Balance Sheet when the following criteria are met:

- the Company is committed to selling the assets;
- 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.

(g) 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 which usually represents cost plus transaction costs and subsequently, if maturing after 12 months period, carried at amortised cost using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security and other 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 at FVTOCI, all fair value changes on the investment are recognised in Other Comprehensive Income (OCI). The accumulated gains or losses are recognised in OCI are reclassified to retained earnings on sale of such investment.
- iii) Financial assets at Fair Value through Profit and loss (FVTPL) - Financial assets which are not classified in any of the categories above measured at FVTPL. These include surplus funds invested in mutual funds etc.
- 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 – 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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Derivative financial instruments and hedging activities

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

- (a) hedges of the fair value of recognised assets or liabilities (fair value hedges); or
- (b) hedges of a particular risk associated with a firm commitment or a highly probable forecasted transaction (cash flow hedges).

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

Movements in the hedging reserve are accounted in other comprehensive income and are 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 hedges

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.

- (b) Cash flow hedges

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 swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in statement of changes in equity is 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.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because the beneficiary fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are measured at their applicable fair values.

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

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

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).

(h) Inventories including Agricultural Produce

Produce growing on Bearer plant is Biological asset and are fair valued based on the biological transformation, except where on initial recognition quoted market prices are not available and alternate fair value measures are clearly unreliable in which case biological asset is measured at cost less any accumulated depreciation and impairment loss.

Tea, Coffee, Pepper and minor crops are designated as agricultural produce as per Ind AS 41 and are measured at their fair value less cost to sell at the point of harvest. Any changes in fair value are recognised in the Statement of Profit and Loss in the year in which these arise upon harvest. The fair valuation so arrived at becomes the cost of Inventory under Ind AS-2.

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.

(i) Employee Benefits

The Company operates various post-employment schemes, including both defined benefit and defined contribution plans and post-employment medical plans. Short term employee benefits are recognized on an undiscounted basis whereas Long term employee benefits are recognized on a discounted basis.

- i) Post retirement employee benefits:

Contribution to post retirement defined benefit and contribution schemes like Provident Fund (PF) and Superannuation Schemes and other such schemes are accounted for on accrual basis by the Company. With regard to PF contribution made by the Holding Company to a Self-Administered Trust, Company is generally liable for annual contributions and for any shortfall in the fund assets based on the government specified minimum rates of return. Such contributions and shortfalls are recognised as an expense in the year incurred.

Post retirement defined benefits including gratuity, pension and medical benefits (for qualifying executives/whole time directors) as provided by the Company 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.

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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

(j) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized 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 are remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefits are possible.

(k) Income Tax

i) Current Income Tax:

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Company has recognised Provision for Income Tax for the Financial Year ended March 31, 2020 and re-measured its Deferred Tax Liabilities based on the rates prescribed in the aforesaid section. The impact of this change has been recognised in the Statement of Profit and Loss for the Financial Year ended March 31, 2020.

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 and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity in which case the deferred tax is recognised in Other Comprehensive Income or equity respectively.

iii) Dividend Distribution Tax:

Tax on Dividends declared by the Company are recognised as an appropriation of Profit. Dividend Distribution Tax is not applicable from April 1, 2020.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

(l) Foreign currency translations

Foreign currency transactions and balances:

Transactions in foreign currencies are recorded at the exchange rate that approximates the prevalent exchange rate on the transaction date. 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

- a) When deferred, in Other Comprehensive Income as qualifying cash flow hedges; and
- b) exchange difference arising from translation of external commercial borrowing is capitalized in terms of para D13AA of Ind AS 101.

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.

(m) Revenue Recognition

(i) Revenue from contracts with customer

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

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

(ii) Interest 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.

(n) Government Grants

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 grants are recognised as deferred income.

(o) Leases

As a lessee

Lease of assets, where the Company, as a lessee, has substantially assumed all the risks and rewards of ownership are recognised as Leases for all leases above 12 months, unless the underlying asset is of low value. Assets classified are capitalised and depreciated as per Company's policy on Property, Plant and Equipment. 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.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(p) 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 these occur.

(q) 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 the significance of their nature or amount.

(r) Earnings per share

The Company presents basic and diluted earnings per share data for its equity shares. Basic and diluted earnings per share is calculated by dividing the profit or loss attributable to owners of the equity shares of the Holding Company by the weighted average number of equity shares outstanding during the year.

(s) Segment Reporting

Segments are identified based on the manner in which the 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.

(t) 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.

(u) Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(v) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

2.3 Key accounting judgements, estimates and assumptions

The preparation of the Financial Statements required the Management to exercise judgements and to make estimates and assumptions. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the Management has considered the global economic conditions prevailing as at the date of approval of these financial statements and has used internal

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

and external sources of information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.

The areas involving critical estimates or judgements are:

i. Depreciation and amortisation

Depreciation and amortisation are 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.

ii. 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. The assumptions used in determining the net cost/(income) includes the discount rate, wage escalation and employee attrition. Any changes in these assumptions will impact the carrying amount of obligations. The discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

iii. Fair valuation

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.

iv. Valuation of Agricultural Produce

Produce growing on Bearer plants are Biological Assets and are 'fair valued' based on biological transformations. As Coffee and Pepper undergo biological transformations, the same are 'fair valued' only when the growth can be measured reliably. As at the Balance Sheet date, the Management has determined that it can reliably measure the biological transformations of its growing produce and such growing produce and agricultural produce (comprising growing produce and produce at harvest) have been measured at 'fair values' based on the Management's estimates of expected produce and grade of produce considering the assessment of the biological transformations observed at the year end and assumption of factors such as weather patterns, crop health until harvest and crop characteristics, etc., which are susceptible to variations. 'Fair values' have been assessed at market prices at the reporting date and adjusted for estimates of costs to be incurred from the reporting date until harvest. Considering the susceptibility of the estimates to variations, these estimates and assumptions are reviewed periodically / at every reporting date until harvest and revisions to the 'fair values' carried out on a cumulative basis. Such variations are considered as change in estimates and are presented as part of Changes in inventories of Finished Goods, Work-in-Progress, Stock-in-trade and Biological Assets.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 1 (a): Property, Plant and Equipment

Gross Carrying Value	₹ Lakh														
	Freehold Land and Development	Leasehold Land and Development	Buildings	Water and Sanitary Installations	Electrical Installations	Plant & Machinery	Furniture & Fixtures	Computers	Office Equipment	Motor Vehicles	Bearer Plants	Total Property, Plant and Equipment	Capital Work in Progress	Bearer Plants in Progress	Total Capital Work in Progress
Gross Carrying Value as at April 1, 2018	6756.65	829.99	8189.30	1459.69	1897.70	20181.59	287.89	261.14	220.16	1090.75	103.32	41278.18	558.01	3125.73	3683.74
Additions	446.24	-	1368.52	183.83	205.11	809.87	12.11	62.50	33.00	278.07	414.33	3813.58	(263.67)	1435.64	1171.97
Disposals	-	-	(1.33)	(1.48)	(0.69)	(181.31)	(1.05)	(5.26)	(4.42)	(311.26)	-	(506.80)	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	(414.33)	(414.33)
Gross Carrying Value as at April 1, 2019	7202.89	829.99	9556.49	1642.04	2102.12	20810.15	298.95	318.38	248.74	1057.56	517.65	44584.97	294.34	4147.04	4441.38
Additions	45.37	-	483.36	88.91	50.39	643.49	33.75	105.08	68.22	275.20	1003.38	2797.15	603.30	1489.59	2092.89
Disposals	(5.48)	-	(28.42)	(3.31)	(0.16)	(209.32)	(4.07)	(0.12)	(14.82)	(256.97)	-	(522.67)	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	(1003.38)	(1003.38)
Gross Carrying Value as at March 31, 2020	7242.78	829.99	10011.43	1727.64	2152.35	21244.32	328.63	423.34	302.14	1075.79	1521.03	46859.45	897.64	4633.25	5530.89
Accumulated Depreciation	-	-	731.04	103.04	240.97	3369.89	65.97	105.97	54.92	230.50	4.62	4906.92	-	-	-
Depreciation expenses	-	-	299.76	53.93	122.99	1470.14	23.81	42.56	40.98	116.59	16.30	2187.06	-	-	-
Deductions/Adjustments	-	-	(0.61)	(1.72)	(1.13)	(172.18)	(0.98)	(5.16)	(4.26)	(118.95)	-	(304.99)	-	-	-
Accumulated Depreciation as at April 1, 2019	-	-	1030.19	155.25	362.83	4667.85	88.80	143.37	91.64	228.14	20.92	6788.99	-	-	-
Depreciation expenses	-	-	314.39	55.94	121.78	1480.54	24.76	50.51	49.81	117.99	45.70	2261.42	-	-	-
Deductions/Adjustments	-	-	(20.74)	(2.79)	(0.16)	(204.72)	(4.07)	(0.10)	(13.75)	(117.20)	-	(363.53)	-	-	-
Accumulated Depreciation as at March 31, 2020	-	-	1323.84	208.40	484.45	5943.67	109.49	193.78	127.70	228.93	66.62	8686.88	-	-	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Net Carrying Value	₹ Lakh													
	Freehold Land and Development	Leasehold Land and Development	Buildings	Water and Sanitary Installations	Electrical Installations	Plant & Furniture & Equipment	Computers	Office Equipment	Motor Vehicles	Bearer Plants	Total Property, Plant and Equipment	Capital Work in Progress	Bearer Plants in Progress	Total Capital Work in Progress
Net Carrying Value as at April 1, 2018	6756.65	829.99	7458.26	1356.65	1656.73	16811.70	221.92	155.17	860.25	98.70	36371.26	558.01	3125.73	3683.74
Net Carrying Value as at April 1, 2019	7202.89	829.99	8526.30	1486.79	1739.29	16142.30	210.15	175.01	829.42	496.73	37795.98	294.34	4147.04	4441.38
Net Carrying Value as at March 31, 2020	7242.78	829.99	8687.59	1519.24	1667.90	15300.65	219.14	229.57	846.86	1454.41	38172.57	897.64	4633.25	5530.89

(a) The following assets are jointly owned / held with the Holding Company

Freehold Land and Development	₹ 103.78 Lakh (Previous Year - ₹ 103.78 Lakh)
Buildings	₹ 56.78 Lakh (Previous Year - ₹ 56.78 Lakh)
Water and Sanitary Installations	₹ 8.15 Lakh (Previous Year - ₹ 8.15 Lakh)
Electrical installations	₹ 22.07 Lakh (Previous Year - ₹ 22.07 Lakh)

(b) Title Deeds of Freehold Land of a Coffee Estate has been hypothecated for financing part of the Working Capital facilities [Refer Note No. 14(a) - Borrowings].

(c) The Additions to Bearer Plants represent capitalisation of Coffee, Pepper and Tea plants, which have attained maturity during the year.

Note No. 1 (b): Right-of-Use Assets

Particulars	₹ Lakh	
	Buildings	Total Right-of-Use Assets
Gross Carrying Value as at April 1, 2018		
Additions		
Disposals		
Transfers/Adjustments		
Gross Carrying Value as at April 1, 2019		
Additions	97.38	97.38
Disposals	-	-
Transfers/Adjustments	-	-
Gross Carrying Value as at March 31, 2020	97.38	97.38
Accumulated Depreciation		
	Buildings	Total Right-of-Use Assets
Accumulated Depreciation as at April 1, 2018		
Depreciation expenses		
Deductions/Adjustments		
Accumulated Depreciation as at April 1, 2019		
Depreciation expenses	69.71	69.71
Deductions/Adjustments	-	-
Accumulated Depreciation as at March 31, 2020	69.71	69.71
Net Carrying Value		
	Buildings	Total Right-of-Use Assets
Net Carrying Value as at April 1, 2018		
Net Carrying Value as at April 1, 2019		
Net Carrying Value as at March 31, 2020	27.67	27.67

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 2: Investment Property

Particulars	₹ Lakh		
	Land	Buildings	Total
Gross Carrying Value as at April 1, 2018	1.05	5283.22	5284.27
Additions/ Transfers	219.86	-	219.86
Gross Carrying Value as at April 1, 2019	220.91	5283.22	5504.13
Additions/ Transfers	-	-	-
Gross Carrying Value as at March 31, 2020	220.91	5283.22	5504.13
Accumulated Depreciation as at April 1, 2018	-	317.27	317.27
Depreciation	-	91.32	91.32
Disposal	-	-	-
Accumulated Depreciation as at April 1, 2019	-	408.59	408.59
Depreciation	-	91.32	91.32
Accumulated Depreciation as at March 31, 2020	-	499.91	499.91
Net Carrying Value as at April 1, 2018	1.05	4965.95	4967.00
Net Carrying Value as at April 1, 2019	220.91	4874.63	5095.54
Net Carrying Value as at March 31, 2020	220.91	4783.31	5004.22

The amount recognised in the Statement of Profit and Loss for investment property:

	₹ Lakh	
	2020	2019
Rental Income	314.29	232.38
Direct Operating Expenses	33.54	29.34
Profit from investment property before depreciation	280.75	203.04
Depreciation for the year	91.32	91.32
Profit from investment property	189.43	111.72

- As at March 31, 2020, the fair value of the Land was at ₹ 9614 Lakh (PY ₹ 9442 lakh). The fair value of land as at March 31, 2020 factors in the current prevailing market rates.
- As at March 31, 2020, the fair value of the Building was at ₹ 5340 Lakh (PY ₹ 5394 lakh).
- These fair values are based on independent valuations.

Operating Lease

The Company has leased out part of its investment property for minimum period upto three years.

Minimum lease receipts under Non-cancellable Operating Lease:

	₹ Lakh	
	2020	2019
Within one year	393.06	82.86
Later than one year and not later than three years	825.83	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 3: Intangible Assets

Particulars	₹ Lakh
	Capitalized Software
Gross Carrying Value as at April 1, 2018	619.11
Additions	76.93
Disposals	(5.83)
Gross Carrying Value as at April 1, 2019	690.21
Additions	23.83
Disposals	-
Gross Carrying Value as at March 31, 2020	714.04
Accumulated Depreciation as at April 1, 2018	451.72
Amortisation	40.75
Deductions/Adjustments	(5.83)
Accumulated Depreciation as at April 1, 2019	486.64
Amortisation	45.03
Deductions/Adjustments	-
Accumulated Depreciation as at March 31, 2020	531.67
Net Carrying Value as at April 1, 2018	167.39
Net Carrying Value as at April 1, 2019	203.57
Net Carrying Value as at March 31, 2020	182.37

Note No. 4: Investments

Particulars	Face Value of Each (₹)	Number of Shares	2020		2019	
			Current	Non Current	Current	Non Current
A. Investments Carried at Cost						
Unquoted Investments (all fully paid)						
Investments in Equity Instruments - Subsidiaries						
Consolidated Coffee Inc.	USD 0.01	300	-	14065.36	-	14065.36
Tata Coffee Vietnam Company Limited ^			-	8446.07	-	7053.29
AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS-SUBSIDIARIES			-	22511.43	-	21118.65
B. Investments Carried at Fair Value through OCI						
Investments in Quoted Equity Instruments						
Tata Chemicals Limited (159850 Equity Shares sold during the year) (PY 160,000 Equity Shares)	10.00	150	-	0.34	-	942.08
AGGREGATE AMOUNT OF QUOTED INVESTMENTS			-	0.34	-	942.08
Total cost of Quoted Investments ₹ 0.39 Lakh (PY 160,000 Equity Shares ₹ 424.21 Lakh) and market value ₹ 0.34 Lakh (PY 160,000 Equity Shares ₹ 942.08 Lakh)						
Investments in Unquoted Equity Instruments						
Southern Scribe Instruments Private Limited *	100.00	7280	-	7.28	-	7.28
Armstrong Power Private Limited *	100.00	600	-	0.60	-	0.60
Armstrong Power Systems Private Limited *	100.00	900	-	0.90	-	0.90
K.T.V. Oil Mills Private Limited *	100.00	1450	-	1.44	-	1.44
Mytrah Vayu (Manjira) Private Limited *	10.00	162500	-	16.25	-	-
Coorg Orange Growers Co-Operative Society Ltd. **	100.00	4	-	-	-	-
Tata Coffee Co-operative Stores Limited **	5.00	20	-	-	-	-
Coorg Cardamom Co-operative Marketing Society Limited **	100.00	1	-	-	-	-
AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS			-	26.47	-	10.22

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Particulars	Face Value of Each (₹)	Number of Shares	₹ Lakh			
			2020		2019	
			Current	Non Current	Current	Non Current
C. Investments designated as Fair Value Through Profit and Loss						
Investments in Mutual Funds - Tata - Money Market Mutual Fund - Direct Plan Growth - 320063.538 Units			10904.03	-	8541.40	-
Cost of Investments in Mutual Funds ₹10777.42 Lakh (PY ₹8257.30 Lakh)						
			10904.03	22538.24	8541.40	22070.95

^ During the year, the Company has made an additional Equity investment of USD 2 Mm [₹ 1392.78 lakh] (PY USD 4.5 Mm - ₹ 3176.55 lakh) in Tata Coffee Vietnam Company Limited [TCVCL], which is a single member limited liability Company.

* Relating to Power Purchase Agreement entered by the Company

** Represents amount less than ₹1000

Note No. 5: Loans

Particulars	₹ Lakh					
	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Unsecured Considered Good						
Employee Loans and Advances	340.87	15.95	356.82	235.10	32.06	267.16
Inter Corporate Deposits to related parties	-	-	-	1500.00	-	1500.00
Loans Receivables which have significant increase in Credit Risk	-	-	-	-	-	-
Loans Receivables-credit impaired	-	-	-	-	-	-
	340.87	15.95	356.82	1735.10	32.06	1767.16

Note No. 6: Other Financial Assets

Particulars	₹ Lakh					
	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposits						
- Secured, considered good	-	79.40	79.40	-	71.34	71.34
	-	79.40	79.40	-	71.34	71.34
Other Deposits						
- Unsecured, considered good	489.14	-	489.14	517.31	750.14	1267.45
- Doubtful	38.00	3.84	41.84	38.00	3.84	41.84
Less: Provision for Doubtful Deposits	(38.00)	(3.84)	(41.84)	(38.00)	(3.84)	(41.84)
	489.14	-	489.14	517.31	750.14	1267.45
Interest Accrued (including from Related Parties ₹ Nil) (PY ₹ 31.06 Lakh)	41.34	-	41.34	77.74	-	77.74
Export Incentives Receivable	700.97	-	700.97	1400.54	-	1400.54
Other Financial Assets	611.23	-	611.23	976.57	-	976.57
	1842.68	79.40	1922.08	2972.16	821.48	3793.64

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

	₹ Lakh
Movements in Provision for Financial Assets	
As at April 1, 2018	41.84
Provision during the year	
As at April 1, 2019	41.84
Provision during the year	-
As at March 31, 2020	41.84

Note No.7: Other non-current and current assets

Particulars	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Capital Advances	-	161.18	161.18	-	116.85	116.85
Advances to suppliers						
Unsecured, considered good	649.80	-	649.80	655.44	-	655.44
Doubtful	66.09	2.99	69.08	60.75	2.99	63.74
Less: Provision for Doubtful Advances	(66.09)	(2.99)	(69.08)	(60.75)	(2.99)	(63.74)
Other Receivables	1065.26	-	1065.26	586.04	1202.41	1788.45
Advances to Related Parties	690.59	-	690.59	156.95	-	156.95
Prepayments	615.15	13.78	628.93	339.78	21.66	361.44
	3020.80	174.96	3195.76	1738.21	1340.92	3079.13

	₹ Lakh
Movements in Provision for Other Non-Current and Current Assets	
As at April 1, 2018	63.74
Provision for Doubtful Advances	-
As at April 1, 2019	63.74
Provision for Doubtful Advances	5.34
As at March 31, 2020	69.08

Note No. 8: Inventories including Biological Assets

Particulars	2020	2019
	Current	Current
Stores and spares	1751.03	1907.17
Raw materials	3612.32	3222.71
Raw materials in Transit	1316.35	1698.21
Finished Goods	14975.80	15198.35
Work-in-progress, including Growing Produce of ₹735.11 Lakh (PY ₹445.38 Lakh)	735.11	445.38
Stock-in-trade	2780.75	2768.07
	25171.36	25239.89

Inventories are hypothecated as Security for part of the Working Capital facilities [Refer Note No. 14(a) - Borrowings].

The method of valuation of Inventories has been stated in Note No. 2.2(h) of Significant Accounting Policies. The Company has considered the possible impact relating to COVID-19 while estimating the fair value of the growing produce and determining the net realisable value of inventory of green coffee beans, tea and pepper. Based on the available internal and external information as determined by the Management, the Company does not expect the carrying values of such inventories to be significantly impacted. Also refer to Note 2.3(iv) on significant judgements and estimates involved in the valuation of agricultural produce.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 9: Trade Receivables

Particulars	₹ Lakh	
	2020	2019
	Current	Current
Trade Receivables		
Secured, considered good	2747.29	1857.57
Unsecured, considered good	8007.50	7438.93
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	-	-
Trade Receivables from Related Parties	410.34	489.95
	11165.13	9786.45

Trade Receivables are hypothecated as Security for part of the Working Capital facilities [Refer Note No. 14(a) - Borrowings].

The credit worthiness of Trade Receivables and the credit terms set are determined on a case to case basis and the Management has factored in the uncertainties arising out of COVID-19, as applicable. Considering that adequate insurance cover have been taken on export debts and based on the other internal and external sources of information as determined by the Management, the Company has concluded that there is a low probability of default on Trade Receivables.

The fair values of Trade Receivables 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 these become overdue.

Note No. 10: Cash and Cash Equivalents / Bank Balances

Particulars	₹ Lakh	
	2020	2019
Unrestricted Balances with banks		
in current accounts	429.32	204.71
in deposit accounts with original maturity less than 3 months	0.70	0.70
Cash in hand	3.66	4.90
Remittances in Transit	0.01	0.03
Cash and Cash Equivalents	433.69	210.34
Unpaid Dividend / Debenture / Debenture Interest	238.01	259.55
Other Bank Balances	238.01	259.55

Note No. 11: Non-Current Assets Held for Sale

Particulars	₹ Lakh		
	Timber	Property, Plant & Equipment	Total
As at April 1, 2018	81.38	164.71	246.09
Additions	66.42	-	66.42
Disposals	(71.22)	(164.71)	(235.93)
As at April 1, 2019	76.58	-	76.58
Additions	43.32	-	43.32
Disposals	(39.49)	-	(39.49)
As at March 31, 2020	80.41	-	80.41

The Company intends to dispose off certain Non-Current assets, it no longer utilises in the next 12 months. No impairment loss has been recognised on reclassification of such assets as held for sale, as the Company expects that the fair value less costs to sell are higher than the related carrying amounts.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 12 (a): Equity Share Capital

Particulars	₹ Lakh	
	2020	2019
Authorised:		
250000000 (PY 250000000) Equity shares of ₹1 each with voting rights	2500.00	2500.00
Issued, Subscribed and Fully Paid:		
186770370 (PY 186770370) Equity shares of ₹1 each with voting rights	1867.70	1867.70
	1867.70	1867.70

A. Details of Shares held by Parent Company/Subsidiaries/Associates:

Name of Shareholder	2020		2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Tata Consumer Products Limited - Parent Company *	107359820	57.48%	107359820	57.48%

* Tata Consumer Products Limited (formerly known as, Tata Global Beverages Limited)

B. Details of Shareholders holding more than 5% shares:

Name of Shareholder	2020		2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Tata Consumer Products Limited - Parent Company	107359820	57.48%	107359820	57.48%

C. Reconciliation of number of shares:

Particulars	2020	2019
Number of shares as at 1st April	186770370	186770370
Add: Shares issued during the year		
Number of shares as at 31st March	186770370	186770370

D. Dividends Paid:

Particulars	2020	2019
Dividends Paid (₹ in Lakh)	2801.56	2801.56
Dividend Per Share (₹)	1.50	1.50

E. Rights, Preferences and restrictions of Equity Shares:

The Company has one class of equity shares having a par value of ₹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 in proportion to their shareholding.

The Board of Directors, in its meeting held on May 5, 2020, have recommended a dividend of ₹ 1.50 per share (face value of ₹ 1 each) for the year ended March 31, 2020. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 12 (b): Other Equity

Particulars	₹ Lakh	
	Mar-20	Mar-19
Capital Redemption Reserve	10.41	10.41
Securities Premium	14424.27	14424.27
General Reserves I	16795.30	16795.30
General Reserves II	11765.64	11107.29
Amalgamation Reserves	832.53	832.53
Retained Earnings	56233.66	52173.03
Equity instruments through Other Comprehensive Income	(0.05)	517.88
Effective portion of Cash Flow Hedges	(550.70)	292.83
Actuarial Gain/(Loss)	(1328.74)	(954.38)
	98182.32	95199.16

Note No. 13: Nature and purpose of Reserves

Capital Redemption Reserve

A Statutory Reserve created to the extent of sum equal to the nominal value of the share capital extinguished on buyback of Company's own shares pursuant to Section 69 of the Companies Act, 2013.

Securities Premium

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

General Reserves II

Capital profits on sale value of own timber are transferred to General Reserve II through the Retained Earnings.

Amalgamation Reserves

Amalgamation Reserves pertains to the scheme of amalgamation of the Company with erstwhile Asian Coffee Limited, Coffee Lands Limited and SIFCO Limited.

Note No. 14 (a): Borrowings

Particulars	₹ Lakh	
	Mar-20	Mar-19
	Current	Current
Secured Borrowings:		
From Banks:		
Working Capital Facilities	7000.00	8790.28
Unsecured Borrowings:		
From Banks:		
Working Capital Facilities	102.72	-
	7102.72	8790.28

Working Capital facilities are secured by hypothecation of crops, inventories, finished / semi-finished goods / receivables of the Company. Part of the working capital facilities are also secured by deposit of title deeds of a coffee estate. The Working Capital facilities are repayable on demand.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 14(b): Lease Liabilities

Particulars	₹ Lakh					
	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Lease Liabilities	20.06	12.89	32.95	-	-	-
	20.06	12.89	32.95	-	-	-

Effective April 1, 2019, the Company has adopted IndAS 116 "Leases" and applied to its Lease contracts existing on April 1, 2019, using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, the comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.

Rental expense recorded for short-term leases, under Ind AS 116, during the year ended March 31, 2020 is ₹ 54.77 Lakh.

	₹ Lakh
Short term leases	54.77
Lease of low value assets	-
Total	54.77

Note No. 15: Other Financial Liabilities

Particulars	₹ Lakh					
	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Deposits received	-	211.62	211.62	102.56	37.03	139.59
Unpaid Dividends / Debenture / Debenture Interest	238.01	-	238.01	259.55	-	259.55
Employee Benefits	2523.23	-	2523.23	2713.13	-	2713.13
Other Payables	4385.37	198.16	4583.53	3475.12	194.98	3670.10
	7146.61	409.78	7556.39	6550.36	232.01	6782.37

Note No. 16: Provisions

Particulars	₹ Lakh					
	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Provision for employee benefits	340.48	4188.49	4528.97	910.72	3364.13	4274.85
	340.48	4188.49	4528.97	910.72	3364.13	4274.85

Note No. 17: Tax Provision

Particulars	₹ Lakh	
	2020	2019
a) Tax charge in the Statement of Profit and Loss		
Current tax		
Current year	2030.27	2513.73
Deferred tax		
Deferred Tax expenses for the year *	(808.71)	117.93
Income Tax expense for the year	1221.56	2631.66

* The Company has remeasured the Deferred Tax Liability (net) as at April 1, 2019 and accounted for net income tax of ₹ 720 lakh during the current year.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Particulars	₹ Lakh	
	2020	2019
b) Reconciliation of Effective Tax Rate		
Profit before Tax	8542.60	9789.74
Tax using Domestic tax rate (Current year : 25.168% and Previous year 34.944%)	2150.00	3420.93
Tax effect of		
Income tax @ different rates	(450.25)	(918.05)
Non-deductible tax expenses	140.75	177.70
Tax-exempt income	(618.94)	(48.92)
	1221.56	2631.66

Particulars	₹ Lakh	
	2020	2019
c) Current / Non-Current Tax Assets / Liabilities		
Current Tax Liabilities	105.79	189.09
Non-Current Tax Assets	1419.21	2288.30
	1313.42	2099.21

Particulars	₹ Lakh	
	2020	2019
d) The analysis of Deferred Tax Assets and Deferred Tax Liabilities are as follows:		
Deferred Tax Assets	985.23	656.71
Deferred Tax Liabilities	2312.11	3241.13
Net Deferred Tax Liabilities	1326.88	2584.42

Particulars	₹ Lakh					
	Depreciation	Other Liabilities	Provision for Doubtful Debts	Employee Benefits	Other Assets	Total
e) The movement in Deferred Income Tax Assets and (Liabilities) during the year are as follows:						
As at April 1, 2018	(2970.97)	246.56	21.35	572.27	(142.23)	(2273.02)
(Charged) / credited						
- to Statement of Profit and Loss	(95.58)	(8.38)	-	18.39	(32.36)	(117.93)
- to Other Comprehensive Income	-	(193.48)	-	-	-	(193.48)
As at April 1, 2019	(3066.55)	44.70	21.35	590.66	(174.58)	(2584.42)
(Charged) / credited						
- to Statement of Profit and Loss	906.40	13.10	(5.96)	(127.46)	22.62	808.70
- to Other Comprehensive Income	-	444.71	-	-	-	444.71
- to Retained Earnings	-	4.13	-	-	-	4.13
As at March 31, 2020	(2160.15)	506.64	15.39	463.20	(151.96)	(1326.88)

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 18 (a): Trade Payables to Micro and Small Enterprises

Particulars	₹ Lakh	
	2020	2019
	Current	Current
Trade payables for goods & services		
Total outstanding dues of Micro and Small Enterprises *	56.09	73.31
	56.09	73.31

* includes amounts due beyond the applicable period of ₹Nil (₹3.82 Lakh) and interest of ₹Nil (₹0.61 Lakh)

Note No. 18 (b): Trade Payables to Others

Particulars	₹ Lakh	
	2020	2019
	Current	Current
Trade payables for goods & services		
Total outstanding dues of creditors other than Micro and Small Enterprises	3711.32	3941.56
Trade Payable to Related Parties	26.84	17.41
	3738.16	3958.97
(i) Principal amount due remaining unpaid to Micro and Small Enterprises	56.09	72.70
(ii) Interest due remaining unpaid to Micro and Small Enterprises	-	-
(iii) Interest due and payable to Micro and Small Enterprises	-	0.61

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note No. 19: Other Current Liabilities

Particulars	₹ Lakh	
	2020	2019
	Current	Current
Statutory Liabilities	630.90	363.57
Advances from Customers	1213.59	566.14
	1844.49	929.71

Note No. 20: Revenue from Operations

Particulars	₹ Lakh	
	2020	2019
Revenue from contracts with customers		
Sale of Goods	59800.30	61219.80
Sale of Traded Goods	7823.32	5674.53
Rendering of Services	475.22	410.37
Revenue from contracts with customers	68098.84	67304.70
Other Operating Revenues		
Sale of Scrap / Waste	193.04	180.23
Export Incentives	2311.99	2475.52
Exchange Fluctuation (Net)	918.19	-
Miscellaneous Income	421.66	330.40
Other Operating Revenues	3844.88	2986.15
Revenue from Operations	71943.72	70290.85

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 21: Other Income

Particulars	₹ Lakh	
	2020	2019
Interest Income		
On Advances and Deposits at amortised cost	568.99	291.63
Dividend Income		
Dividend Income from Investments in Subsidiary at amortised cost	3565.34	3548.74
Dividend income from Other Non Current Investments at Fair Value through Other Comprehensive Income	19.98	35.17
Net Gain On sale of Current investments at Fair Value through Profit or Loss	508.77	334.85
(Loss) / Gain on investments carried at Fair Value through Profit or Loss	(157.49)	180.83
Profit on Sale of Biological Assets - Timber (Net)	658.35	784.90
Service Weightage Expenditure - Provision reversal	181.50	-
Rental income from Investment property	280.75	203.04
Operating Lease Rental income	4.78	12.81
	5630.97	5391.97

Note No. 22 (a): Cost of materials consumed

Particulars	₹ Lakh	
	2020	2019
Coffee	18515.88	16804.93
Tea	429.88	602.70
Others	1259.06	1179.24
Packing Materials	3869.94	3979.64
	24074.76	22566.51

Note No. 22 (b): Purchase of Traded Goods

Particulars	₹ Lakh	
	2020	2019
Coffee	3995.37	2491.98
Others	3072.28	3231.16
	7067.65	5723.14

Note No. 22 (c): Changes in Inventories of finished goods, work-in-progress, Stock-in-trade and Biological Assets

Particulars	₹ Lakh	
	2020	2019
Opening Inventories as at April 1		
Finished Goods	15198.35	15952.09
Work-in-progress including Growing Produce	445.38	594.74
Stock in Trade	2768.07	2044.64
	18411.80	18591.47
Closing Inventories as at March 31		
Finished Goods	14975.80	15198.35
Work-in-progress including Growing Produce	735.11	445.38
Stock in Trade	2780.75	2768.07
	18491.66	18411.80
	(79.86)	179.67

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 23: Employee Benefits Expense

Particulars	₹ Lakh	
	2020	2019
Salaries and wages, including bonus	15919.67	15894.30
Contribution to provident and other funds	1836.82	1756.12
Workmen and Staff Welfare	800.78	916.72
	18557.27	18567.14

Note No. 24: Finance Costs

Particulars	₹ Lakh	
	2020	2019
Interest Expense		
On Working Capital Loans	474.10	508.86
Interest on Defined Benefit Plans	246.13	240.77
Bank Charges	70.69	64.08
	790.92	813.71

Note No. 25: Other Expenses

Particulars	₹ Lakh	
	2020	2019
Contract / Processing Charges	2681.88	2239.82
Consumption of Stores and Spare Parts	2943.45	2799.33
Power and Fuel	4491.32	4736.77
Repairs and Maintenance	1189.95	1165.36
Rent including Lease Rentals	54.77	137.76
Rates and Taxes	214.72	333.31
Advertisement and Sale Charges	152.37	314.78
Selling Expenses	1183.46	1251.44
Freight	1104.33	1101.40
Insurance	305.41	219.74
Exchange Fluctuation (Net)	-	613.03
Provision for Doubtful Debts and Advances	5.34	-
Expenditure on Corporate Social Responsibility [Refer Note No. 34]	135.59	191.65
Payment to Statutory Auditors [Refer Note No. 32]	129.12	96.49
Professional Charges	557.17	700.92
Miscellaneous Expenses	1545.93	1407.72
Loss on sale of Property, Plant and Equipment	34.06	25.53
	16728.87	17335.05

Note No. 26: Exceptional Items

Particulars	₹ Lakh	
	2020	2019
Income		
Gain on Sale of Property	575.00	1611.27
	575.00	1611.27

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 27: Estimated amount of Contracts remaining to be executed

Particulars	₹ Lakh	
	2020	2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	466.22	300.05

Note No. 28: Contingent Liabilities

Particulars	₹ Lakh	
	2020	2019
Claims under adjudication not acknowledged as debts:		
i) Demands raised by Income Tax, Excise & Sales Tax Authorities	1512.24	1520.56
ii) Labour disputes under adjudication	94.00	94.00
iii) Claims by Customers / Suppliers	67.14	67.14

Note No. 29

	₹ Lakh	
	2020	2019
The Company has provided corporate guarantees to lending banks on behalf of its overseas wholly owned subsidiary. As on Balance Sheet date, the subsidiary has drawn an amount of ₹44472 lakh (PY ₹39277 lakh) from the lending Banks.	57634.25	50247.81

Note No. 30

Segment information has been disclosed as part of Note No. 38 of the Consolidated Financial Statements for the year.

Note No. 31: R&D Expenditure

Particulars	₹ Lakh	
	2020	2019
Capital Expenditure	4.77	4.57
Revenue Expenditure	97.36	99.59
Total	102.13	104.16
Total R&D Expenditure as a % of Revenue	0.14%	0.15%

Note No. 32: Payment to Statutory Auditors

Particulars	₹ Lakh	
	2020	2019
Audit Fees	50.00	40.00
Quarterly Audit Fees	18.00	18.00
Tax Audit Fees	12.00	12.00
Other Services	43.25	23.43
Reimbursement of expenses	5.87	3.06
Total	129.12	96.49

Note No. 33: Leases

Particulars	₹ Lakh	
	2020	2019
Minimum lease payments:		
Within 1 Year	52.96	72.45
1 to 2 Years	-	14.79
Total	52.96	87.25

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 34: Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 ('Act'), a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Healthcare including Preventive healthcare, providing Safe drinking water, sanitation facility, promoting education, Old Age Home maintenance, Environmental sustainability and promotion and development of traditional art and handicrafts. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through out the year on these activities which are specified in Schedule VII to the Companies Act, 2013.

- Gross amount required to be spent by the Company during the year is ₹ 135.26 lakh (PY ₹ 180.00 lakh)
- Amount spent during the year: ₹ 135.59 lakh (PY ₹ 191.65 lakh)

	₹ Lakh	
The amounts expended are as follows:	2020	2019
(i) Construction / acquisition of any asset	-	3.38
(ii) For purposes other than (i) above	135.59	188.27
	135.59	191.65

Note No. 35: Basic and Diluted Earnings per share

Particulars	2020	2019
Profit for the year attributable to owners of the Company (₹ Lakh)	7321.04	7158.08
Weighted average number of equity shares	186770370	186770370
Nominal Value per equity share (₹)	1.00	1.00
Earnings per share from continuing operations - Basic and Diluted (₹)	3.92	3.83

Note No. 36: Financial Instruments - Accounting Classification and fair values

Financial Instruments

A. Accounting Classification and Fair Values

March 31, 2020		Carrying Amount				Fair Value				₹ Lakh
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total	
Financial Assets:										
Quoted Equity Investments	Non-Current	-	0.34	-	0.34	0.34	-	-	0.34	
Unquoted Equity Investments-Subsidiaries	Non-Current	-	-	22511.43	22511.43	-	-	-	-	
Unquoted Equity Investments-Others	Non-Current	-	26.47	-	26.47	-	26.47	-	26.47	
Loans	Non-Current	-	-	15.95	15.95	-	-	-	-	
Other Financial Assets	Non-Current	-	-	79.40	79.40	-	-	-	-	
Investment in Mutual Funds	Current	10904.03	-	-	10904.03	10904.03	-	-	10904.03	
Trade Receivables	Current	-	-	11165.13	11165.13	-	-	-	-	
Cash and Cash Equivalents & Other Bank Balances	Current	-	-	671.70	671.70	-	-	-	-	
Loans	Current	-	-	340.87	340.87	-	-	-	-	
Other Financial Assets	Current	-	-	1842.68	1842.68	-	-	-	-	
Total Financial Assets		10904.03	26.81	36627.16	47558.00	10904.37	26.47	-	10930.84	

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

						₹ Lakh			
March 31, 2020		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities:									
Borrowings	Non-Current	-	-	-	-	-	-	-	-
Lease Liabilities	Non-Current	-	-	12.89	12.89	-	-	-	-
Other Financial Liabilities	Non-Current	-	-	409.78	409.78	-	-	-	-
Borrowings	Current	-	-	7102.72	7102.72	-	-	-	-
Lease Liabilities	Current	-	-	20.06	20.06	-	-	-	-
Trade payables	Current	-	-	3794.25	3794.25	-	-	-	-
Other Financial Liabilities	Current	-	784.96	6361.65	7146.61	-	784.96	-	784.96
Total Financial Liabilities		-	784.96	17701.35	18486.31	-	784.96	-	784.96

						₹ Lakh			
March 31, 2019		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:									
Quoted Equity Investments	Non-Current	-	942.08	-	942.08	942.08	-	-	942.08
Unquoted Equity Investments-Subsidiaries	Non-Current	-	-	21118.65	21118.65	-	-	-	-
Unquoted Equity Investments-Others	Non-Current	-	10.22	-	10.22	-	10.22	-	10.22
Loans	Non-Current	-	-	32.06	32.06	-	-	-	-
Other Financial Assets	Non-Current	-	-	821.48	821.48	-	-	-	-
Investment in Mutual Funds	Current	8541.40	-	-	8541.40	8541.40	-	-	8541.40
Trade Receivables	Current	-	-	9786.45	9786.45	-	-	-	-
Cash and Cash Equivalents & Other Bank Balances	Current	-	-	469.89	469.89	-	-	-	-
Loans	Current	-	-	1735.10	1735.10	-	-	-	-
Other Financial Assets	Current	50.02	402.22	2519.92	2972.16	-	452.24	-	452.24
Total Financial Assets		8591.42	1354.52	36483.55	46429.49	9483.48	462.46	-	9945.94
Financial Liabilities:									
Other Financial Liabilities	Non-Current	-	-	232.01	232.01	-	-	-	-
Borrowings	Current	-	-	8790.28	8790.28	-	-	-	-
Trade payables	Current	-	-	4032.28	4032.28	-	-	-	-
Other Financial Liabilities	Current	-	-	6550.36	6550.36	-	-	-	-
Total Financial Liabilities		-	-	19604.93	19604.93	-	-	-	-

B. Measurement of Fair Values

The basis of measurement in respect to each class of financial assets and financial liabilities are disclosed in Note 2.2 (g) of Significant Accounting Policies.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 37: Financial Risk Management

Risk Management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management framework. The Board has constituted the Risk Management Committee, which is responsible for developing and monitoring the Company's Risk Management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit function, which regularly reviews risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has exposure to Credit, Liquidity and Market risks arising from financial instruments:

A. CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

Trade and other receivables:-

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the country in which customers operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for Creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer and reviewed periodically.

At the end of the reporting period, there are no significant concentrations of credit risk. The carrying amount reflected above represents the maximum exposure to credit risk.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 433.69 lakh at March 31, 2020 (March 31, 2019: ₹ 210.34 lakh)

B. LIQUIDITY RISKS:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. 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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Maturities of Financial Liabilities:

Particulars	₹ Lakh									
	2020					2019				
	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 years	Total	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 years	Total
Borrowings	7102.72	-	-	-	7102.72	8790.28	-	-	-	8790.28
Leases	20.06	12.89	-	-	32.95	-	-	-	-	-
Trade Payables	3794.25	-	-	-	3794.25	4032.28	-	-	-	4032.28
Other Financial Liabilities	7146.64	346.50	63.25	-	7556.39	6550.36	71.43	160.58	-	6782.37
Total	18063.67	359.39	63.25	-	18453.36	19372.92	71.43	160.58	-	19604.93

C. MARKET RISKS:

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

The Plantation Industry is dependent on nature, making it susceptible to climate vagaries. The major weather factors that influence coffee yield are rainfall, temperature, light intensity and relative humidity. To mitigate the risk of drought conditions, the Company has invested significantly on augmentation of irrigation capacities rain water harvesting to improve the water table and enhance the water storage capacity. With regard to Plantation Operations, borer infestation and Tea Mosquito bugs are continuous threats being faced. The Company, in addition to regular tracing and chemical control, has taken rigorous initiatives to curb pest incidence. It is also working closely with various R&D cells and Government agencies for developing effective measures in this regard.

Commodity Price Risk

The Company's exposure to Market risk for commodity prices can result in changes to realisation for its Plantation products and Cost of Production for its value added products. The risk associated is actively monitored for mitigation actions. The other mitigants includes strict implementation of Board mandated Commodity policy and also the natural hedge arising on export of Plantation produce vis a vis import of Coffee for value added segment.

Currency Risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, mostly with a maturity of less than one year from the reporting date. The Company does not use derivative financial instruments for trading or speculative purposes. Following is the derivative financial instruments to hedge the foreign exchange rate risk as of March 31, 2020:

Type of Derivatives	Currency Pair	2020			2019		
		No. of Contracts	Amount Hedged Mm	Fair Value ₹ lakh	No. of Contracts	Amount Hedged Mm	Fair Value ₹ lakh
Forward exchange contracts	USD INR	118	25.48	(746.80)	56	12.50	333.36
Option contracts	USD INR	-	-	-	18	4.35	88.37
Forward exchange contracts	EUR INR	11	1.44	(38.16)	5	0.50	30.51

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

The carrying amount of the company's foreign currency denominated Monetary Assets and Liabilities as at the end of the reporting period are as below:

Currency	Amount in Mm			
	Monetary Assets		Monetary Liabilities	
	2020	2019	2020	2019
USD	10.44	10.72	1.19	0.16
EUR	0.61	0.08	-	-

The 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 currency amounts stated in the above table.

Particulars	₹ Lakh			
	Effect on Profit before tax		Effect on Pre Tax Equity	
	2020	2019	2020	2019
Average USD rate	70.50	69.72	70.50	69.72
Average EUR rate	78.42	77.66	78.42	77.66
5% appreciation	350	371	(956)	(607)
5% depreciation	(350)	(371)	956	607

Exposure to Interest Rate Risk

The Company's interest rate risk arises from borrowings.

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

Particulars	₹ Lakh	
	2020	2019
	Effect on Profit Before Tax	Effect on Profit Before Tax
50 basis Points increase	(39.73)	(45.96)
50 basis Points decrease	39.73	45.96

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 a mix of equity, borrowings and operating cash flows.

The Company's Debt Equity ratio is as below:

Particulars	₹ Lakh	
	2020	2019
Total Debt	7102.72	8790.28
Total Equity	100050.02	97066.86
Debt Equity Ratio	0.07:1	0.09:1

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 38: Employee Benefits Obligation

(i) Defined Contributions

Amount of ₹1034.28 Lakh (PY ₹996.89 Lakh) is recognised as an expense and included in employee benefit expense to the following defined contribution plans:

Particulars	₹ Lakh	
	2020	2019
Provident Fund	412.77	421.61
Superannuation Fund	119.27	120.94
Pension Fund	502.24	454.34
	1034.28	996.89

(ii) Defined Benefits:

Gratuity, Post Retiral Medical Benefits and Pension :

The Company operates defined benefit schemes like retirement gratuity, defined superannuation benefits and post retirement medical benefits. There are superannuation benefits and medical benefits restricted to certain categories of employees/directors in the form medical and pension, 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 / 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

Changes in the Defined Benefit obligation

Particulars	₹ Lakh					
	Gratuity		Medical		Pension	
	2020	2019	2020	2019	2020	2019
Opening Defined Benefit Obligation	7224.78	6499.39	1077.73	1156.33	1781.24	1825.51
Current Service Cost	419.47	389.67	39.07	42.88	-	-
Interest on Defined Benefit Obligation	32.59	482.94	81.56	88.78	131.98	138.59
Interest on Plan assets	513.12	-	-	-	-	-
Actuarial changes arising from changes in Experience	155.59	195.36	11.78	(190.52)	(69.86)	(89.67)
Actuarial changes arising from changes in Financial assumption	(29.21)	113.67	179.56	30.98	135.94	28.44
Actuarial changes arising from changes in demographic assumption	-	0.26	-	(15.94)	-	11.17
Benefits Paid	(688.36)	(456.51)	(38.29)	(34.78)	(133.16)	(132.80)
Closing Defined Benefit Obligation	7627.98	7224.78	1351.41	1077.73	1846.14	1781.24

Changes in the Fair Value of Plan assets during the Year

Particulars	₹ Lakh	
	Gratuity	
	2020	2019
Opening Fair value of Plan Assets	6551.51	6079.81
Employers Contribution	847.55	476.45
Interest on Plan Assets	484.37	469.54
Actual return on Plan Assets less interest on Plan Assets	28.74	(17.77)
Benefits paid	(688.36)	(456.52)
Closing Fair Value of Plan Assets	7223.81	6551.51

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Net Asset / (Liability) recognised in Balance Sheet

Particulars	₹ Lakh					
	Gratuity		Medical		Pension	
	2020	2019	2020	2019	2020	2019
Present Value of Funded Defined Benefit Obligation at the year end	7627.98	7224.78	-	-	-	-
Fair Value of Plan Assets at the end of the year	7223.81	6551.51	-	-	-	-
	404.17	673.27	-	-	-	-
Present Value of Unfunded Defined Benefit Obligation at the year end	-	-	1351.41	1077.73	1846.14	1781.24
Amount recognised in Balance Sheet	404.17	673.27	1351.41	1077.73	1846.14	1781.24

Expense recognised in the Statement of Profit and Loss for the year:

Particulars	₹ Lakh					
	Gratuity		Medical		Pension	
	2020	2019	2020	2019	2020	2019
Current Service Cost	419.47	389.67	39.07	42.88	-	-
Interest Cost on Defined Benefit Obligation (net)	32.59	13.40	81.56	88.78	131.98	138.59
Past Service Cost	-	-	-	-	-	-
Total recognised in the Statement of Profit and Loss	452.06	403.07	120.63	131.66	131.98	138.59

Amount recognised in Other Comprehensive Income for the year:

Particulars	₹ Lakh					
	Gratuity		Medical		Pension	
	2020	2019	2020	2019	2020	2019
Actuarial changes arising from changes in financial assumptions	(29.21)	113.67	179.56	30.98	135.94	28.44
Actuarial changes arising from changes in demographic assumptions	-	0.26	-	(15.94)	-	11.17
Actuarial changes arising from changes in experience assumption	155.59	195.36	11.78	(190.52)	(69.86)	(89.67)
Actual return on plan assets less interest on plan assets	-	17.78	-	-	-	-
Adjustment to recognise the effect of asset ceiling	126.38	327.07	191.34	(175.48)	66.08	(50.06)

Maturity Profile of Defined Benefit Obligation:

Particulars	₹ Lakh					
	Gratuity		Medical		Pension	
	2020	2019	2020	2019	2020	2019
Within next 12 months	736.03	1021.97	45.04	37.04	99.14	134.46
Between 2 and 5 years	2687.12	2315.65	216.12	169.06	419.60	565.99
Between 6 and 9 years	3188.09	3031.91	282.08	204.88	472.89	630.36
10 Years and above	8273.88	9471.12	5388.18	1795.37	1926.75	2602.58

Principal Actuarial assumptions used:

Particulars	₹ Lakh	
	2020	2019
Discount Rate	6.75%	7.70%
Salary escalation rate	7.00%	8.00%
Pension escalation rate (SRB)	18% after every 3rd year	18% after every 3rd year
Annual increase in Health Costs	8.00%	8.00%

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Quantitative sensitivity analysis for significant assumptions are as below:

Impact on Defined Benefit Obligation	₹ Lakh		
	Gratuity	Medical	Pension
	2020	2020	2020
Impact of increase in 50 basis point in discount rate	(298)	(100)	(71)
Impact of decrease in 50 basis point in discount rate	319	113	76
Impact of increase in 50 basis point in salary escalation	317	-	-
Impact of decrease in 50 basis point in salary escalation	(299)	-	-
Impact of increase in 100 basis point in health care cost	-	236	-
Impact of decrease in 100 basis point in health care cost	-	(188)	-
Impact of increase in 100 basis point in pension rate	-	-	44
Impact of decrease in 100 basis point in pension rate	-	-	(43)

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:

Particulars	₹ Lakh	
	Gratuity	
	2020	2019
Govt. of India Securities	-	-
PSU bonds	-	-
Insurance managed Funds	7223.81	6551.51
Others	-	-
Total	7223.81	6551.51

The Company contributes all its ascertained liabilities towards gratuity to the Trust set up for the same. Trustees administer the contributions made to the Trust. As at March 31, 2020 and March 31, 2019, the plan assets have been primarily invested in insurance managed funds.

Expected contribution over the next financial year:

The Company is expected to contribute ₹ 579 Lakh to defined benefit obligations funds for the year ending March 31, 2020.

(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 assumptions there are no shortfall as on March 31, 2020 and March 31, 2019.

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

Particulars	₹ Lakh	
	Provident Fund	
	2020	2019
Plan Assets as at period end	7691	7387
Present Value of Funded Obligations at period end	7691	7387
Amount Recognised in the Balance Sheet	-	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

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

Particulars	₹ Lakh	
	2020	2019
Guaranteed Rate of Return	8.50%	8.55%
Discount Rate for remaining term to Maturity of Investment	6.75%	7.70%
Expected Rate of Return on Investment	8.90%	8.91%

Note No. 39: Fair Value Measurement

A. Fair Value Measurement - Agricultural Produce

Agricultural produce is the harvested produce of the entity's Biological Assets (Bearer Plants) at the point of harvest. Green Bean in Fruit form, Green Pepper and Green Tea at the point of plucking falls within the definition of Agricultural Produce at the point of harvest.

The Company uses a Valuation technique that is appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs. Accordingly, the Company follows a Market Approach as permitted under Indian Accounting Standard Ind AS-113- 'Fair Value Measurement'.

Particulars	Fair value hierarchy	Valuation technique(s) and key input(s)
1) Arabica	Level 2 input	Market Approach
2) Robusta	Level 2 input	Market Approach
3) Pepper	Level 2 input	Market Approach
4) Tea	Level 2 input	Market Approach

(i) Fair Valuation of Coffee

The Coffee on reporting dates are available in (a) Fruit Form (b) Dried Uncured form and (c) Cured Coffee level.

There is no active quoted market for Green Bean in Fruit Form. Hence, Level 1 inputs (unadjusted quoted prices in active markets for identical assets or liabilities) are not available for valuation.

The Coffee Board publishes Daily Market Prices of Arabica Parchment, Arabica Cherry, Robusta Parchment and Robusta Cherry at Dried Uncured Coffee level.

Based on the well established conversion norms and the Coffee Board prices, the cured equivalent of fair valuation of Fruit Coffee are arrived at based on Level 2 observable inputs.

The Valuation is carried out at the Fruit Coffee Level, while the the quoted prices are available at the Dried Coffee level. Hence, the fair value measurement is satisfying the conditions for applying Level 2 of the Fair Value hierarchy.

Suitable adjustments based on conversion norms applicable for the dried uncured Coffee and Cured Coffee are carried out to arrive at the corresponding Fair Value at these stages.

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

(ii) Fair Valuation of Pepper

The Spices Board of India publishes the average market rates for Pepper MG1 Grade. Since the Company produces and markets Pepper in various grades, apart from MG1, the quoted Prices for MG1 are considered as Level 2 inputs being quoted prices of Various Grades. The MG1 rate is applied to the Company's estimated grade % for black pepper production and the composite weighted average fair value is arrived at and after making adjustments for subsequent processes.

The fair value so arrived at becomes the Ind AS 2 Inventory rate / value and thereafter regular inventory accounting process is followed.

(iii) Fair Valuation of Tea

The tea leaves at the point of plucking are designated as Agricultural Produce at the point of harvest. The fair valuations are based on the auction prices of Made Tea and are suitably adjusted based on conversion norms to arrive at the fair valuation of green leaves.

B. Fair Value of Equity

The Fair value of equity investments except investments in subsidiaries are based on Quoted prices available on last reporting rate which is a Level 1 input.

Note No. 40: Disclosure under Section 186 of the Companies Act, 2013

Particulars of Loans, Deposits and Guarantees as at the year end

				₹ Lakh	
Sl. No.	Name of the Entity	2020	2019	Nature of Loans / Deposits	Purpose for which Loan/Guarantee is proposed to be utilised by recipient
1	Tata Housing Development Company Limited	-	1500.00	Inter Corporate Loan	Short Term Working Capital
2	Mytrah Vayu Private Limited	28.00	-	-	Power Purchase Agreements
3	Appellate Deputy Commissioner	13.56	-	-	Customs related
		41.56	1500.00		

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Note No. 41: Related Party Transactions

In accordance with IndAS 24, the disclosures required are given below:

Sl. No. Nature of transaction	Promoter		Parent Company		Subsidiaries		Key Management Personnel		Fellow Subsidiaries/ JVs		Subsidiaries/JVs of Promoter		Post Employment Benefit Plans		Total	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
1 Sale of Goods	-	-	3002.53	2825.61	-	-	1507.25	1668.79	-	-	-	-	-	-	4509.78	4494.40
2 Rendering of Services	-	-	-	-	-	-	-	-	-	-	31.89	31.89	-	-	31.89	31.89
3 Purchase of Goods	-	-	75.90	16.80	-	-	-	77.17	-	-	1263.79	2203.38	-	-	1339.69	2297.35
4 Directors' Remuneration*	-	-	-	-	-	465.80	749.68	-	-	-	-	-	-	-	465.80	749.68
5 Receiving of Services	145.06	129.10	216.00	383.54	-	-	-	-	-	-	381.55	485.47	-	-	742.61	998.11
6 Reimbursement of expenses / (income) - Net	-	-	(129.98)	(179.59)	-	-	-	-	-	-	-	-	-	-	(129.98)	(179.59)
7 Dividend Paid	-	-	1610.33	1610.33	-	-	-	-	-	-	-	-	-	-	1610.33	1610.33
8 Dividend received (inclusive of TDS)	-	-	-	-	3565.34	3548.74	-	-	-	-	-	-	-	-	3565.34	3548.74
9 Sale of Non - Current Investments	1206.87	-	-	-	-	-	-	-	-	-	-	-	-	-	1206.87	-
10 Contribution to Post Retirement Benefit Plans	-	-	-	-	-	-	-	-	-	-	-	-	740.60	777.54	740.60	777.54
11 Guarantee balance at the year end	-	-	-	-	57634.25	50247.81	-	-	-	-	-	-	-	-	57634.25	50247.81
12 Inter Corporate Deposits at the year end	-	-	-	-	-	-	-	-	-	-	-	1500.00	-	-	-	1500.00
13 Interest Received/Accrued on Inter Corporate Loans	-	-	-	-	-	-	-	-	-	-	285.10	256.13	-	-	285.10	256.13
14 Investment in Wholly Owned Subsidiary	-	-	-	-	1392.78	3176.55	-	-	-	-	-	-	-	-	1392.78	3176.55
15 Outstanding at the year end	129.88	129.10	19.26	12.50	-	-	-	-	-	-	7.10	4.81	-	-	156.24	146.41
	-	-	196.69	409.86	-	-	213.65	79.77	-	-	690.59	1688.34	-	-	1100.93	2177.97

The above information is excluding taxes and duties except Outstanding Balances at the year end

* Includes contribution towards Provident Fund and Superannuation Fund

Notes

to the Standalone Financial Statements for the year ended March 31, 2020

Names of Related Parties and description of relationship

1. Promoter Company	Tata Sons Private Limited
2. Parent Company	Tata Consumer Products Limited (formerly known as, Tata Global Beverages Limited)
3. Subsidiaries	Consolidated Coffee Inc. Eight O' Clock Holdings Inc. Eight O' Clock Coffee Company Tata Coffee Vietnam Company Limited
4. Key Management Personnel	Mr Chacko Purackal Thomas, Managing Director & CEO Mr K Venkataramanan, Executive Director - Finance & CFO
5. Fellow Subsidiaries / JVs	Tata Consumer Products GB Limited (formerly known as, Tata Global Beverages GB Limited) Tata Starbucks Private Limited Tata Consumer Products Australia Pty. Limited (formerly known as, Tata Global Beverages Australia Pty. Ltd.) Earth Rules Pty. Ltd.
6. Subsidiaries / JVs of Promoter Company	Tata Consultancy Services Limited Tata Housing Development Company Limited Tata Realty and Infrastructure Limited Tata Teleservices Limited Tata Uganda Limited Tata Communications Limited Tata AIG General Insurance Company Limited Tata AIA Life Insurance Company Limited Tata Industries Limited
7. Post Retirement Benefit Plans	Tata Coffee Staff Provident Fund Trust Tata Coffee Superannuation Scheme Tata Coffee Employees Gratuity Fund

CHACKO PURACKAL THOMAS
Managing Director & CEO

V. LEELADHAR
Director

K. VENKATARAMANAN
Executive Director - Finance & CFO

N. ANANTHA MURTHY
Company Secretary

Place: Bengaluru
Date: May 5, 2020

Independent Auditor's Report

To The Members of Tata Coffee Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements, of Tata Coffee Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial information of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Growing Produce (Existence and Valuation)</p> <p>Produce of coffee, tea and pepper growing on the bearer plants ("growing produce") are measured at fair value based on their biological transformation.</p> <p>The fair valuation of the growing produce is significant to our audit on account of the significant management judgements applied in determining estimated quantity and transformation based on factors like stage of growth (determined based on the visible growth and systematic crop estimation) and harvesting cycle of the crops and their fair values less costs to sell which is based on factors like established conversion norms and the published rates.</p>	<p>With respect to the existence of the growing produce of coffee, tea and pepper:</p> <ol style="list-style-type: none"> 1. Obtained an understanding of the significant management judgements applied in determination of the quantity and biological transformation of the growing produce. 2. Evaluated the design of internal controls relating to the management's process of making judgments and estimates relating to quantity, biological transformation, and also tested the operating effectiveness of the aforesaid controls. 3. Retrospectively compared the actual harvest data with the growing produce that was estimated and recorded by the management prior to harvest to assess the reasonableness of the process of prior estimation by the management and also to assess the reliability of the basis of management judgement in estimating growing produce as at the balance sheet date.

Independent Auditor's Report [Contd.]

Sr. No.	Key Audit Matter	Auditor's Response
	<p>Refer to Note 8 and Note 37 of the standalone financial statements for the fair value measurement, Note 2.2.(h) for accounting policies Note 2.3(v) relating to Valuation of Agricultural Produce under Key accounting judgements, estimates and assumptions.</p>	<p>With respect to valuation of growing produce:</p> <ol style="list-style-type: none"> 1. Evaluated the design of internal controls relating to the management's judgments and estimates for determining fair value less cost to sell and also tested the operating effectiveness of the aforesaid controls. 2. Validated the market information considered by the management in determining the fair values. 3. Compared the estimate of costs to sell to the actual selling cost incurred during the year to validate the reasonability of the estimate of costs to sell considered in determining fair values as at the Balance Sheet date. <p>Tested the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.</p>
2.	<p>Inventory of raw / cured coffee beans ("green coffee beans"), tea and pepper (Existence and Valuation)</p> <p>Physical verification of green coffee beans, tea and pepper was performed by the management subsequent to the year end due to the restrictions imposed on account of COVID-19.</p> <p>Finished goods inventory are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always a volatility in the selling price of green coffee beans, tea and pepper, which is dependent upon various market conditions and the possible impact of COVID-19, determination of the net realizable value for green coffee beans, tea and pepper involves significant management judgement and therefore has been considered as a key audit matter.</p> <p>The total value of finished goods (commodities) as at 31 March, 2020 is ₹ 11,477.12 Lakh. Also refer to Note 2.3.(v) relating to Valuation of Agricultural Produce under Key accounting judgements, estimates and assumptions.</p>	<p>With respect to the existence of green coffee beans, tea and pepper as at the year end:</p> <ol style="list-style-type: none"> 1. Evaluated the design and implementation of the controls over physical verification of inventory and tested the operating effectiveness of these controls during the interim periods. 2. Due to the COVID-19 related lock-down we were not able to participate in the physical verification of inventory that was carried out by the management subsequent to the year end. Consequently, we have performed the following alternate procedures to audit the existence of inventory: <ul style="list-style-type: none"> • Participated in the physical verification of inventory of green coffee beans, tea and pepper conducted by the management subsequent to the year end, through video calls and performed roll back procedures. • Compared the sum of disaggregated data of quantity of fruit coffee and pepper that was picked by the workers during the season ongoing as at the balance sheet date, with the aggregate quantity of harvested produce of fruit coffee and pepper considered by the management and obtained and tested the explanations for material differences, if any, between the two sets of data. • Compared the sum of disaggregated data of quantity of raw coffee transferred by the plantations to the curing unit and obtained and tested the explanations for material differences, if any, between such data and the quantity considered as physical inventory as at the Balance Sheet date.

Sr. No.	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> • Verified the following conversions: (a) the quantity of fruit coffee picked into raw coffee and (b) the raw coffee received at curing unit into cured coffee and (c) the quantity of fruit coffee into cured coffee, each by applying the established conversion norms and ensured that the quantity of coffee considered as inventory by the management agreed with such converted quantities. • In case of pepper, verified the management estimate of grades of the harvested produce of pepper and compared the same with the historical pattern of grades of harvested pepper and developed a sensitivity analysis to understand whether a material variation to the value of inventory would be caused due to changes in grades. • In case of tea, for the stock held at estates, which have been subsequently despatched to third party warehouses, obtained direct confirmation of the inventory held by third party warehouses subsequent to the year end and performed roll back procedures. • For stock held at third party warehouses, obtained direct confirmation of the inventory held by them as at the year end. <p>With respect to the net realisable value:</p> <ol style="list-style-type: none"> 1. Obtained an understanding of the determination of the net realizable values of green coffee beans, tea and pepper and assessed and tested the reasonableness of the significant judgements applied by the management. 2. Evaluated the design of internal controls relating to the valuation of green coffee beans, tea and pepper and also tested the operating effectiveness of the aforesaid controls. 3. To assess the reasonableness of the net realisable value that was estimated and considered by the management: <ul style="list-style-type: none"> • With respect to the committed stock of green coffee beans for which the Company has entered into contracts with the respective customers, on a sample basis, compared the net realisable value with the rates as per the said contracts; • With respect to the uncommitted stock of green coffee beans, obtained the market information relating to coffee prices and assessed the reasonableness of the adjustments that were made to such market prices to estimate the net realisable value; • With respect to the uncommitted stock of tea and pepper, obtained the latest realization rates / market information relating to prices and assessed the reasonableness of the adjustments that were made to such market prices to estimate the net realisable value; • Verified the publicly available market information to assess if there has been significant decrease in the rates subsequent to the year end. 4. Compared the actual costs incurred to sell based on the latest sale transactions to assess the reasonableness of the cost to sell that was estimated and considered by the management. 5. Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value. <p>Tested the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.</p>

Independent Auditor's Report [Contd.]

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, Corporate Overview, Key Highlights, Directors' Report, Report on Corporate Governance, Management Discussion & Analysis Report, Business Responsibility Report, etc., but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that

is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial information of 4 subsidiaries, whose financial information reflect total assets of ₹252,541 Lakh as at March 31, 2020, total revenues of ₹124,662 Lakh and net cash inflows amounting to ₹5,725 Lakh for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditors and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Independent Auditor's Report [Contd.]

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the subsidiaries, referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the 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 financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2020 taken on record by the Board of Directors of the Parent none of the directors of the Parent is disqualified as on March 31, 2020 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. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.

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

Balaji M N
Partner

Place: Bengaluru
Date: May 5, 2020

(Membership No. 202094)
(UDIN: 20202094AAAAAS7290)

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”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Tata Coffee Limited (hereinafter referred to as “Parent”), as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Parent 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 (“the 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 Parent’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 Parent’s internal financial controls over financial reporting 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 Parent’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

Independent Auditor's Report [Contd.]

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent, 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,

2020, 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.

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

Balaji M N
Partner
(Membership No. 202094)
(UDIN: 20202094AAAAAS7290)

Place: Bengaluru
Date: May 5, 2020

Consolidated Balance Sheet

as at March 31, 2020

Particulars	Note	₹ Lakh	
		2020	2019
ASSETS			
Non-current Assets			
Property, Plant and Equipment	1 (a)	90767.39	52561.48
Capital Work-in-progress	1 (a)	6094.55	39117.77
Right-of-Use Assets	1 (b)	10147.49	-
Investment Property	2	5004.22	5095.54
Goodwill	3	130990.40	119719.57
Other Intangible Assets	3	14210.52	14135.85
Financial Assets			
Investments	4	26.81	952.30
Loans	5	15.95	32.06
Other Financial Assets	6	118.51	835.79
Non-Current Tax Assets	17	1419.21	2288.30
Other Non-current Assets	7	332.64	4706.28
		259127.69	239444.94
Current Assets			
Inventories including Biological Assets	8	41635.07	37046.83
Financial Assets			
Investments	4	10904.03	8541.40
Trade Receivables	9	24328.10	17151.38
Cash and Cash Equivalents	10	10753.26	4805.23
Other Bank Balances	10	238.01	259.55
Loans	5	340.87	1735.10
Other Financial Assets	6	5063.51	7367.86
Other Current Assets	7	3899.93	2442.06
		97162.78	79349.41
Non Current Assets held for sale	11	80.41	76.58
TOTAL ASSETS		356370.88	318870.93
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12 (a)	1867.70	1867.70
Other Equity	12 (b)	123587.99	116160.31
		125455.69	118028.01
Non-controlling interests		42965.28	36241.95
Total Equity		168420.97	154269.96
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	14 (a)	103147.99	99650.86
Lease Liabilities	14 (b)	9508.18	-
Other Financial Liabilities	15	409.78	579.84
Provisions	16	4188.49	3364.13
Deferred Tax Liabilities (Net)	17	13370.75	12863.52
		130625.19	116458.35
Current liabilities			
Financial Liabilities			
Borrowings	14 (a)	12047.67	13410.46
Lease Liabilities	14 (b)	527.74	-
Trade Payables			
(a) Total outstanding dues of Micro and Small Enterprises	18 (a)	56.09	73.31
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	18 (b)	15370.51	11223.92
Other Financial Liabilities	15	26343.34	20515.45
Provisions	16	340.48	910.72
Current Tax Liabilities	17	790.49	1079.05
Other Current Liabilities	19	1848.40	929.71
		57324.72	48142.62
TOTAL EQUITY AND LIABILITIES		356370.88	318870.93

The accompanying significant accounting policies and notes form an integral part of the Consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

BALAJI M N

Partner

Membership No. 202094

Place: Bengaluru

Date: May 5, 2020

CHACKO PURACKAL THOMAS

Managing Director & CEO

V. LEELADHAR

Director

K. VENKATARAMANAN

Executive Director - Finance & CFO

N. ANANTHA MURTHY

Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2020

Particulars	Note	₹ Lakh	
		2020	2019
INCOME			
Revenue from operations	20	196605.94	180398.18
Other Income	21	2072.18	1843.23
Total Income		198678.12	182241.41
EXPENSES			
Cost of materials consumed	22 (a)	68803.50	59280.52
Purchases of Stock-in-trade	22 (b)	32175.53	33348.59
Changes in Inventories of finished goods, work-in-progress, Stock-in-trade and Biological Assets	22 (c)	(4712.61)	(1765.40)
Employee benefits expense	23	32690.26	31030.07
Finance costs	24	6476.21	4581.15
Depreciation and amortisation expense		8064.76	5698.72
Other expenses	25	35597.48	34186.71
Total Expenses		179095.13	166360.36
Profit before exceptional items and tax		19582.99	15881.05
Exceptional Items	26	424.47	1127.49
Profit before tax		20007.46	17008.54
Tax Expense			
Current tax		6471.23	5760.34
Deferred tax		(565.14)	558.98
Total tax expense		5906.09	6319.32
Profit for the year		14101.37	10689.22
Attributable to:			
Owners of the Holding Company		8240.27	6877.45
Non-controlling interests		5861.10	3811.77
Net Profit for the year		14101.37	10689.22
Other Comprehensive Income			
Items that will not be reclassified to profit/(loss)		(109.24)	(274.01)
Remeasurements of the defined benefit plans		(477.94)	(101.53)
Equity instruments through other comprehensive income		265.12	(141.36)
Income tax relating to items that will not be reclassified to profit or loss		103.58	(31.12)
Items that will be reclassified to profit/(loss)		8978.16	2569.08
Exchange differences on translation of foreign operations		7869.53	4475.98
Effective portion of Gains/(Loss) in cash flow hedges		835.49	(1744.54)
Income tax on items that will be reclassified to profit or loss		273.14	(162.36)
Total Comprehensive Income for the year		22970.29	12984.29
Total Comprehensive Income for the year attributable to:			
Owners of the Holding Company		11780.37	7901.85
Non-controlling interests		11189.92	5082.44
Earnings per equity share			
Basic & Diluted	33	4.41	3.68

The accompanying significant accounting policies and notes form an integral part of the Consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

BALAJI M N

Partner

Membership No. 202094

Place: Bengaluru

Date: May 5, 2020

CHACKO PURACKAL THOMAS

Managing Director & CEO

V. LEELADHAR

Director

K. VENKATARAMANAN

Executive Director - Finance & CFO

N. ANANTHA MURTHY

Company Secretary

Consolidated Statement of Changes in Equity

as at March 31, 2020

	₹ Lakh													
	Equity		Other Equity				Items of Other Comprehensive Income				Total Other Equity	Total Owners' Equity		
	Number of Shares	Equity Share Capital	Capital Redemption Reserve	Securities Premium Reserve	General Reserves I	Surplus II	General Reserves	Amalgamation Reserves	Retained Earnings	Equity Instruments through Comprehensive Income	Effective portion of Cash Flow Hedges Reserve	Foreign Currency Translation Reserve	Actuarial Gain/ (Loss)	
Balance as at April 1, 2018	186770370	1867.70	10.41	14424.27	23827.79	10322.29	832.53	60586.06	659.24	(667.57)	1202.58	(821.73)	110375.87	112243.57
Profit for the year						6877.45			(141.36)	(1006.48)	2323.39	(132.65)	6877.45	6877.45
Other Comprehensive Income for the year, net of Income Tax													1042.90	1042.90
Total Comprehensive Income for the year									(141.36)	(1006.48)	2323.39	(132.65)	7920.35	7920.35
Dividends / Tax on Dividend													(3377.42)	(3377.42)
Reversal of Dividend Distribution Tax								1241.51					1241.51	1241.51
Transfer from Retained Earnings								(785.00)						
Balance as at April 1, 2019	186770370	1867.70	10.41	14424.27	23827.79	11107.29	832.53	64542.60	517.88	(1674.05)	3525.97	(954.38)	116160.31	118028.01
Profit for the year						8240.27							8240.27	8240.27
Other Comprehensive Income for the year, net of Income Tax									265.12	(589.68)	5001.64	(374.36)	4302.72	4302.72
Transfer to Retained Earnings														
Total Comprehensive Income for the year									(517.93)	(589.68)	5001.64	(374.36)	12542.99	12542.99
Dividends / Tax on Dividend													(3377.42)	(3377.42)
Transfer from Retained Earnings							658.35							
Transfer to Retained Earnings (Net of Deferred Tax) - Transitional impact of Ind AS 116													(1737.88)	(1737.88)
Balance as at March 31, 2020	186770370	1867.70	10.41	14424.27	23827.79	11765.64	832.53	67792.26	(0.05)	(2263.73)	8527.61	(1328.74)	123587.99	125455.69

The accompanying significant accounting policies and notes form an integral part of the Consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

CHACKO PURACKAL THOMAS
Managing Director & CEO

K. VENKATARAMANAN
Executive Director - Finance & CFO

BALAJI M N
Partner
Membership No. 202094

V. LEELADHAR
Director

N. ANANTHA MURTHY
Company Secretary

Place: Bengaluru
Date: May 5, 2020

Consolidated Cash Flow Statement

for the year ended March 31, 2020

Particulars	₹ Lakh	
	2020	2019
Cash flows from operating activities		
Profit Before Tax for the year	20007.46	17008.54
Adjustments for:		
Depreciation and amortisation	8064.76	5698.72
Provision for doubtful advances	5.34	-
Interest Income	(575.54)	(291.63)
Dividend income from Other Non Current Investments	(19.98)	(35.17)
Net Gain on Sale of Current Investments	(508.77)	(334.85)
Loss / (Gain) on investments carried at fair value through Profit or Loss	157.49	(180.83)
Rental Income from Investment Property	(280.75)	(203.04)
Finance Costs	6476.21	4581.15
Unrealised foreign exchange (gain) / loss	(549.41)	199.91
(Profit) / loss on sale of Property, Plant and Equipment	(540.94)	(1585.73)
Profit on Sale of Biological Assets - Timber (Net)	(658.35)	(784.90)
Service Weightage Expenditure - Provision reversal	(181.50)	-
Sub-Total	11388.56	7063.63
Operating Profit Before Working Capital Changes	31396.02	24072.17
Movements in working capital:		
Trade Receivables	(5519.07)	2659.79
Other Financial Assets	3399.29	(1794.39)
Loans	(89.66)	94.99
Other Current and Non-Current Assets	(161.93)	(727.72)
Inventories including Biological Assets	(3223.93)	(3758.65)
Trade Payables	3302.07	(607.39)
Other Financial Liabilities	1720.69	(1716.49)
Other Current Liabilities	917.78	1233.79
Provisions	(469.95)	(132.88)
Changes in Working Capital	(124.71)	(4748.95)
Cash Generated from Operations	31271.31	19323.22
Income taxes paid	(5181.30)	(4836.19)
Net Cash Flows from Operating Activities (A)	26090.01	14487.03

Consolidated Cash Flow Statement [Contd.]

for the year ended March 31, 2020

Particulars	₹ Lakh	
	2020	2019
Cash flows from investing activities		
Interest received	611.94	365.21
Other dividends received	19.98	35.17
Payments for property, plant and equipment and Intangibles	(6758.57)	(19497.58)
Rental Income from Investment Property	280.75	203.04
Proceeds from Sale of property, plant and equipment and Intangibles	700.49	1952.19
Profit on Sale of Biological Assets - Timber (Net)	658.35	784.90
Inter Corporate Deposits Placed (Net)	1500.00	4000.00
Net cash (outflow)/inflow on Purchase/Sale of Mutual Funds	(2011.35)	(4870.28)
Sale of Non-Current Investments	1206.84	-
Purchase of Non-Current Investments	(16.25)	(0.42)
Net Cash Flows used in Investing Activities (B)	(3807.82)	(17027.77)
Cash flows from financing activities		
Proceeds from / (repayment of) Current Borrowings (Net)	1524.83	310.54
Proceeds from / (repayment of) Non-Current Borrowings (Net)	(5203.50)	10114.25
Dividend / Dividend Tax	(6965.30)	(6866.42)
Payment of finance lease obligations	(512.18)	-
Finance Cost paid	(6266.49)	(4480.62)
Net Cash Flows used in Financing Activities (C)	(17422.64)	(922.25)
Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)	4859.55	(3462.99)
Cash and cash equivalents at the beginning of the year	4805.23	8061.10
Effects of exchange rate changes on the balance of cash held in foreign currencies	1088.48	207.12
Cash and cash equivalents at the end of the year	10753.26	4805.23

The accompanying significant accounting policies and notes form an integral part of the Consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

CHACKO PURACKAL THOMAS
Managing Director & CEO

K. VENKATARAMANAN
Executive Director - Finance & CFO

BALAJI M N
Partner
Membership No. 202094

V. LEELADHAR
Director

N. ANANTHA MURTHY
Company Secretary

Place: Bengaluru
Date: May 5, 2020

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

1. General Information

Tata Coffee Limited (“the Holding Company”) and its subsidiaries (together “the Group”) are engaged in the production, trading and distribution of Coffee, Pepper, Tea and Allied products. The Group has business operations mainly in India, USA, CIS countries, Europe, Africa and Vietnam.

The Holding Company is a public limited company incorporated and domiciled in India and has its registered office at Pollibetta, Kodagu, Karnataka, India. The Holding Company has its listings on BSE Limited and National Stock Exchange of India Limited.

The Consolidated Financial Statements for the year ended March 31, 2020 were approved for issue by the Company’s Board of Directors on May 5, 2020.

2. Preparation and Presentation of Consolidated Financial Statement

2.1 Basis of preparation and measurement

a) Basis of preparation

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

Except for the changes below, the Group has consistently applied accounting policies to all applicable periods.

Ind AS 116, Leases: Ind AS 116, which came into effect from April 1, 2019, has replaced the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. Refer Note 14 (b) for further details.

Amendment to Ind AS 12 ‘Income Taxes’:

The Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 ‘Income Taxes’ with effect from April 1, 2019. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Since Dividend Distribution Tax is not applicable with effect from April 1, 2020, this amendment will have no impact on the financial statements.

Appendix C to Ind AS 12, Uncertainty over

Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective from April 1, 2019. The Holding Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

Amendment to Ind AS 19 ‘Employee Benefits’:

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 ‘Employee Benefits’ in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment,

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment is effective from April 1, 2019. The Holding Company has evaluated the effect of this amendment on the financial statements and concluded that this amendment is currently not applicable.

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 nature of product/activities of the Company and the normal time between acquisition of assets/liabilities and their realisation/settlement in cash or cash equivalent. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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.

Subsidiaries included in Consolidation

Name of the Enterprise	Country of Incorporation	Nature of Business	Shareholding/Controlling interest
Consolidated Coffee Inc.	USA	Investment	50.08%
Eight O'Clock Holdings Inc.	USA	Investment	50.08%
Eight O'Clock Coffee Company	USA	Roasted Coffee Beans and R&G Powder	50.08%
Tata Coffee Vietnam Company Limited	Vietnam	Instant Coffee	100%

The Holding Company's wholly owned Subsidiary, Tata Coffee Vietnam Company Limited [TCVCL], has commissioned a new state-of-the-art Freeze-Dried Instant Coffee manufacturing facility in Vietnam with a capacity of 5,000 MT per annum, which became operational during Q1FY20.

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 Combination

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary comprises of the

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

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 these 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 or deemed cost less accumulated depreciation and accumulated impairment loss, if any. Historical cost includes its purchase price, including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. 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 derecognized. All repairs and maintenance are charged to the Statement of Profit and Loss during the financial year in which these are incurred.

ii) Depreciation:

Depreciation is provided on assets to get the initial cost down to the residual value. Land is not depreciated. Depreciation is provided on a straight-line basis over the estimated useful life of the asset as prescribed in Schedule II to the Companies Act, 2013 or based on a technical evaluation of the asset. Cost incurred on assets under development are disclosed under capital work in progress and not depreciated till asset is ready to use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Estimated useful life of items of Property, Plant and Equipment are as follows:

Type of Assets	Estimated Useful Life
(in years)	
Leasehold Land	Perpetual Lease
Buildings including Water supply System	28-58
Roads - Carpeted / Non-Carpeted	10
Irrigation Systems	10-20
Electrical Installations	20
Plant & Machinery - Continuous Process	18
Plant & Machinery – Others	20
Furniture & Fittings	15
Computers	6
Motor Vehicles	10
Office Equipment	5

The residual values and useful lives for depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or exchange.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised in the Statement of Profit and Loss.

(c) Biological Assets

Biological assets are classified as Bearer biological assets and agricultural produce. Bearer Biological Assets which are held to bear agricultural produce are classified as Bearer plants.

Bearer plants are recognised under Property, Plant and Equipment on fulfilment of the following conditions:

1. Are used in the production or supply of agricultural produce;
2. Are expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales

Tea bushes, Coffee bushes, Pepper vines, Cardamom tiller and Shade trees are recognised as Bearer biological assets. These are classified as mature Bearer Plants and Immature Bearer Plants. Mature Bearer Plants are those that have attained harvestable stage. Cost incurred for new plantations and immature areas are capitalised. Cost includes cost of land preparation, new planting and maintenance till maturity. The cost of areas coming into 'bearing' is transferred to mature plantations and depreciated over their estimated useful lives.

Bearer plants relating to Coffee and Tea bushes, Pepper vines and that of Minor Produces attain harvestable stage in about 3-5 years.

Bearer biological assets are carried at cost less accumulated depreciation and accumulated 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 Holding Company and the cost of the item can be measured reliably.

Mature bearer plants are depreciated over their estimated useful life. Immature bearer plants are tested for impairment / obsolescence. The estimated useful life of mature bearer plants is as follows:

Type of Bearer Biological Assets	Estimated Useful Life (in years)
Arabica Coffee Plants	30
Robusta Coffee Plants	58
Tea Bushes	58
Pepper Vines & Cardamom Tillers	35
Silver oak and Shade Management Trees	35

Refer Para 2.2. (h) for accounting of agricultural produce.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

(d) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used in the production of goods and services or for the administrative purposes is 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 losses, 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 estimated useful lives. The Group's depreciable investment properties have a useful life of 50 years.

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.

Goodwill is not amortised but is tested for impairment. Goodwill impairment reviews are generally undertaken annually. The carrying value of the Cash Generating Unit 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. Goodwill is subsequently measured at cost less amounts provided for impairment.

(ii) Brands and Trademarks

Brands / trademarks acquired as part of a business combination is recognised outside goodwill, at deemed cost on transition date.

Amortisation is charged on a straight-line basis over a period of 20-35 years. The carrying values of brands / trademarks are reviewed annually or more frequently for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

(iii) Computer software

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.

(e) Impairment of tangible and intangible assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest possible levels for which there are independent cash inflows (cash-generating units). Prior impairment of non-financial assets (other than goodwill) are reviewed for possible reversal of impairment losses at each reporting date. Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment.

(f) Non-current assets held for sale

Non-current assets held for sale are presented separately in the Balance Sheet when the following criteria are met:

- the Group is committed to selling the assets;
- the assets are available for sale immediately;
- an active plan of sale has commenced; and
- sale is expected to be completed within 12 months.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

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.

(g) 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 which usually represents cost plus transaction costs and subsequently, if maturing after 12 months period, using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security and other 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 Other Comprehensive Income (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 measured at 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 hedges); or
- (b) hedges of a particular risk associated with a firm commitment or a highly probable forecasted transaction (cash flow hedges).

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

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

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 hedges

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.

(b) Cash flow hedges

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 swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in statement of changes in equity is 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.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because the beneficiary fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are measured at their applicable fair values.

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).
- (h) **Inventories including Agricultural Produce**
Produce growing on Bearer plant is Biological asset and are fair valued based on the biological transformation, except where on initial recognition quoted market prices are not available and alternate fair value measures are clearly unreliable in which case biological asset is measured at cost less any accumulated depreciation and impairment loss.
- Tea, Coffee, Pepper and minor crops are designated as agricultural produce as per Ind AS

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

41 and are measured at their fair value less cost to sell at the point of harvest. Any changes in fair value are recognised in the Statement of Profit and Loss in the year in which these arise upon harvest. The fair valuation so arrived at becomes the cost of Inventory under Ind AS-2.

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.

(i) 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 recognized on an undiscounted basis whereas Long term employee benefits are recognized on a discounted basis.

i) Post retirement employee benefits:

Contribution to post retirement defined benefit and contribution schemes like Provident Fund (PF) and 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 subsequently. 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.

(j) 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 recognized 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

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

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 are remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefits are possible.

(k) 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.

The Holding Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Holding Company has recognised Provision for Income Tax for the Financial Year ended March 31, 2020 and re-measured its Deferred Tax Liabilities based on the rates prescribed in the aforesaid section. The impact of this change has been recognised in the Consolidated Statement of Profit and Loss for the Financial Year ended March 31, 2020.

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 and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive Income or equity in which case the deferred tax is recognised in Other Comprehensive Income or equity respectively.

iii) Dividend Distribution Tax

Tax on Dividends declared by the Company are recognised as an appropriation of Profit. Dividend Distribution Tax is not applicable from April 1, 2020.

l) Foreign currency and translations

i) Functional and presentation currency

Items included in the consolidated financial statements of the Group's subsidiaries 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

Transactions in foreign currencies are recorded at the exchange rate that approximates the prevalent exchange rate on the transaction date. 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

a) when deferred, in Other Comprehensive Income as qualifying cash flow hedges; and

b) exchange difference arising from translation of external commercial borrowing is capitalized in terms of para D13AA of Ind AS 101.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

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 into the presentation currency 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 recognized in other comprehensive income.

On disposal of a foreign operation, the associated exchange differences are reclassified to the Statement of Profit and Loss, as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

m) Revenue Recognition

(i) Revenue from contracts with customer

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the

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

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.

n) Government Grants

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 grants are recognised as deferred income.

o) Leases

As a lessee

Lease of assets, where the Group, as a lessee, has substantially assumed all the risks and rewards of ownership are recognised as Leases for all leases above 12 months, unless the underlying asset is of low value. Assets classified are capitalised and depreciated as per Group's policy on Property, Plant and Equipment. The corresponding lease

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

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.

As a lessor

Lease income from leases where the Group is a lessor is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

p) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Group incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which these occur.

q) 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 the significance of their nature or amount.

r) Earnings per share

The Group presents basic and diluted earnings per share data for its equity shares. Basic and diluted earnings per share is calculated by dividing the profit or loss attributable to owners of the equity shares of the Holding Company by the weighted average number of equity shares outstanding during the year.

s) 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.

t) 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.

u) 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.

v) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

2.3 Key accounting judgements, estimates and assumptions

The preparation of the Consolidated Financial Statements required Group Management to exercise judgements and to make estimates and assumptions. The Group's Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the Group's Management has considered the global economic conditions prevailing as at the date of approval of these financial statements and has used internal and external sources of information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.

The areas involving critical estimates or judgements are:

i. Depreciation and amortisation

Depreciation and amortisation are 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.

ii. 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. The assumptions used in determining the net cost/(income) includes the discount rate, wage escalation and employee attrition. Any changes in these assumptions will impact the carrying amount of obligations. The discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

iii. Fair valuation

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.

Fair valuations of agricultural produce are derived based on the market rates published by the industrial body for various grades.

iv. 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.

v. Valuation of Agricultural Produce

Produce growing on Bearer plants are Biological Assets and are 'fair valued' based on biological transformations. As Coffee and Pepper undergo biological transformations, the same are 'fair valued' only when the growth can be measured reliably. As at the Balance Sheet date, the Management has determined that it can reliably measure the biological transformations of its growing produce and such growing produce and agricultural produce (comprising growing produce and produce at harvest) have been measured at 'fair values' based on the Management's estimates of expected produce and grade of produce considering the assessment of the biological transformations observed at the year end and assumption of factors such as weather patterns, crop health until harvest and crop characteristics, etc., which are susceptible to variations. 'Fair values' have been assessed at market prices at the reporting date and adjusted for estimates of costs to be incurred from the reporting date until harvest. Considering the susceptibility of the estimates to variations, these estimates and assumptions are reviewed periodically / at every reporting date until harvest and revisions to the 'fair values' carried out on a cumulative basis. Such variations are considered as change in estimates and are presented as part of Changes in inventories of Finished Goods, Work-in-Progress, Stock-in-trade and Biological Assets.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 1 (a): Property, Plant and Equipment

Gross Carrying Value	₹ Lakh														
	Freehold Land and Development	Leasehold Land and Development	Buildings	Water and Sanitary Installations	Electrical Installations	Plant & Machinery	Furniture & Fixtures	Computers	Office Equipment	Motor Vehicles	Bearer Plants	Total Property, Plant and Equipment	Capital Work in Progress	Bearer Plants in Progress	Total Capital Work in Progress
Gross Carrying Value as at April 1, 2018	6756.65	829.99	10436.97	1459.69	1897.70	33509.36	585.46	416.29	255.29	1095.17	103.32	57345.89	7916.22	3125.73	11041.95
Additions	446.24	-	5651.70	183.83	205.11	971.61	12.11	219.64	47.22	278.07	414.33	8429.87	27054.51	1435.64	28490.16
Disposals	-	-	(1.33)	(1.48)	(0.69)	(181.31)	(1.05)	(5.26)	(4.42)	(311.26)	-	(506.80)	-	(414.33)	(414.33)
Transfers / Adjustments	-	-	125.78	-	-	1403.44	39.97	37.79	12.72	0.36	-	1620.06	-	-	(414.33)
Gross Carrying Value as at April 1, 2019	7202.89	829.99	16213.12	1642.04	2102.12	35703.10	636.49	668.46	310.81	1062.34	517.65	66889.02	34970.73	4147.04	39117.77
Additions (Refer Note (c) & (d))	45.37	-	1190.62	88.91	50.39	36791.01	277.50	150.33	42.53	275.20	1003.38	39915.24	(33509.43)	1489.59	(32019.84)
Disposals	(5.48)	-	(28.42)	(3.31)	(0.16)	(209.32)	(4.07)	(0.12)	(14.82)	(256.97)	-	(522.67)	-	-	-
Transfers / Adjustments	-	-	776.42	-	-	5449.10	86.91	86.08	48.41	0.59	-	6447.51	-	(1003.38)	(1003.38)
Gross Carrying Value as at March 31, 2020	7242.78	829.99	18151.74	1727.64	2152.35	77733.89	996.83	904.75	386.93	1081.16	1521.03	112729.10	1461.30	4633.25	6094.55
Accumulated Depreciation as at April 1, 2018	-	-	1861.08	103.03	240.97	6798.52	230.26	176.01	77.13	232.26	4.62	9723.88	-	-	-
Depreciation expenses	-	-	758.04	53.93	122.99	2583.83	82.93	91.24	57.72	117.27	16.30	3884.24	-	-	-
Deductions/Adjustments	-	-	(148.83)	(1.73)	(0.66)	621.97	30.49	30.57	7.92	(117.97)	-	719.42	-	-	-
Accumulated Depreciation as at April 1, 2019	-	-	2767.94	155.23	363.30	10004.32	343.68	297.82	142.77	231.56	20.92	14327.54	-	-	-
Depreciation expenses	-	-	971.68	55.94	121.78	4338.94	53.14	123.98	54.67	117.99	45.70	5883.82	-	-	-
Deductions/Adjustments	-	-	(321.51)	(2.55)	(0.16)	1414.86	56.30	68.64	8.36	(116.62)	-	1750.34	-	-	-
Accumulated Depreciation as at March 31, 2020	-	-	4061.13	208.62	484.92	15758.12	453.12	490.44	205.80	232.93	66.62	21961.70	-	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Net Carrying Value	Freehold Land and Development	Leasehold Land and Development	Buildings	Water and Sanitary Installations	Electrical Installations	Plant & Furniture & Equipment	Computers	Office Equipment	Motor Vehicles	Bearer Plants	Total Property, Plant and Equipment	Capital Work in Progress	Bearer Plants in Progress	Total Capital Work in Progress
Net Carrying Value as at April 1, 2018	6756.65	829.99	8575.89	1356.66	1656.73	26710.84	355.20	178.16	862.91	98.70	47622.01	7916.22	3125.73	11041.95
Net Carrying Value as at April 1, 2019	7202.89	829.99	13445.18	1486.81	1738.82	25698.78	292.81	168.04	830.78	496.73	52561.48	34970.73	4147.04	39117.77
Net Carrying Value as at March 31, 2020	7242.78	829.99	14090.61	1519.02	1667.43	61975.77	543.71	181.13	848.23	1454.41	90767.39	1461.30	4633.25	6094.55

(a) The following assets are jointly owned / held with the Holding Company

Freehold Land and Development	₹103.78 Lakh (Previous Year - ₹103.78 Lakh)
Buildings	₹56.78 Lakh (Previous Year - ₹56.78 Lakh)
Water and Sanitary Installations	₹8.15 Lakh (Previous Year - ₹8.15 Lakh)
Electrical installations	₹22.07 Lakh (Previous Year - ₹22.07 Lakh)

(b) Title Deeds of Freehold Land of a Coffee Estate has been hypothecated for financing part of the Working Capital facilities [Refer Note No. 14(a) - Borrowings].

(c) The Additions to Bearer Plants represent capitalisation of Coffee, Pepper and Tea plants which have attained maturity during the year.

(d) Additions to Plant & Machinery and other equipment of Tata Coffee Vietnam Company Limited for the current year includes borrowings costs capitalised of ₹124.75 Lakh (Capital work in progress for the previous year included borrowings costs capitalised of ₹2097.85 Lakh).

Note No. 1 (b): Right-of-Use Assets

Particulars	Freehold Land and Development	Buildings	Office Equipment	Motor Vehicles	Total Right-of-Use Assets
Gross Carrying Value as at April 1, 2018	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-
Gross Carrying Value as at April 1, 2019	-	-	-	-	-
Additions	5615.00	1954.07	27.99	26.48	7623.54
Disposals	-	-	-	-	-
Transfers/Adjustments	3252.84	-	-	-	3252.84
Gross Carrying Value as at March 31, 2020	8867.84	1954.07	27.99	26.48	10876.38
Accumulated Depreciation	Freehold Land and Development	Buildings	Office Equipment	Motor Vehicles	Total Right-of-Use Assets
Accumulated Depreciation as at April 1, 2018	-	-	-	-	-
Depreciation expenses	-	-	-	-	-
Deductions/Adjustments	-	-	-	-	-
Accumulated Depreciation as at April 1, 2019	-	-	-	-	-
Depreciation expenses	218.08	490.38	11.35	9.08	728.89
Deductions/Adjustments	-	-	-	-	-
Accumulated Depreciation as at March 31, 2020	218.08	490.38	11.35	9.08	728.89
Net Carrying Value	Freehold Land and Development	Buildings	Office Equipment	Motor Vehicles	Total Right-of-Use Assets
Net Carrying Value as at April 1, 2018	-	-	-	-	-
Net Carrying Value as at April 1, 2019	-	-	-	-	-
Net Carrying Value as at March 31, 2020	8649.76	1463.69	16.64	17.40	10147.49

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 2: Investment Property

Particulars	₹ Lakh		
	Land	Buildings	Total
Gross Carrying Value as at April 1, 2018	1.05	5283.22	5284.27
Additions	-	-	-
Disposal	219.86	-	219.86
Gross Carrying Value as at April 1, 2019	220.91	5283.22	5504.13
Additions/ Transfers	-	-	-
Disposal	-	-	-
Gross Carrying Value as at March 31, 2020	220.91	5283.22	5504.13
Accumulated Depreciation as at April 1, 2018	-	317.27	317.27
Depreciation	-	91.32	91.32
Disposal	-	-	-
Accumulated Depreciation as at April 1, 2019	-	408.59	408.59
Depreciation	-	91.32	91.32
Disposal	-	-	-
Accumulated Depreciation as at March 31, 2020	-	499.91	499.91
Net Carrying Value as at April 1, 2018	1.05	4965.95	4967.00
Net Carrying Value as at April 1, 2019	220.91	4874.63	5095.54
Net Carrying Value as at March 31, 2020	220.91	4783.31	5004.22

The amount recognised in the Consolidated Statement of Profit and Loss for investment property:

	₹ Lakh	
	2020	2019
Rental Income	314.29	232.38
Direct Operating Expenses	33.54	29.34
Profit from investment property before depreciation	280.75	203.04
Depreciation for the year	91.32	91.32
Profit from investment property	189.43	111.72

- (a) As at March 31, 2020, the fair value of the Land was at ₹ 9614 Lakh (PY ₹ 9442 lakh). The fair value of land as at March 31, 2020 factors in the current prevailing market rates.
- (b) As at March 31, 2020, the fair value of the Building was at ₹ 5340 Lakh (PY ₹ 5394 lakh).
- (c) These Fair Values are based on independent valuations.

Operating Lease

The Company has leased out part of its investment property for minimum period upto three years.

Minimum lease receipts under Non-cancellable Operating Lease:

	₹ Lakh	
	2020	2019
Within one year	393.06	82.86
Later than one year and not later than three years	825.83	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 3: Goodwill and Other Intangible Assets

Particulars	₹ Lakh			
	Goodwill	Brands / Trademarks	Capitalized Software	Total
Gross Carrying Value as at April 1, 2018	112852.32	17117.43	2882.89	20000.32
Additions	-	-	158.67	158.67
Deductions/Adjustments	7292.26	1593.84	211.06	1804.90
Gross Carrying Value as at April 1, 2019	120144.58	18711.27	3252.62	21963.89
Additions	-	-	251.98	251.98
Deductions/Adjustments	11914.02	2604.00	382.67	2986.67
Gross Carrying Value as at March 31, 2020	132058.60	21315.27	3887.27	25202.54
Accumulated Depreciation as at April 1, 2018	31.33	3215.59	1987.12	5202.71
Amortisation	-	1113.11	610.06	1723.17
Deductions/Adjustments	393.68	737.09	165.07	902.16
Accumulated Depreciation as at April 1, 2019	425.01	5065.79	2762.25	7828.04
Amortisation	-	1128.02	276.14	1404.16
Deductions/Adjustments	643.19	1401.91	357.91	1759.82
Accumulated Depreciation as at March 31, 2020	1068.20	7595.72	3396.30	10992.02
Net Carrying Value as at April 1, 2018	112820.99	13901.84	895.77	14797.61
Net Carrying Value as at April 1, 2019	119719.57	13645.48	490.37	14135.85
Net Carrying Value as at March 31, 2020	130990.40	13719.55	490.97	14210.52

Management reviews the carrying value of goodwill annually to determine whether there has been any impairment. This involves making an assessment of the value of goodwill 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.

Value in use i.e. the enterprise value is calculated using cash flow projections over a period of 5 years, with amounts based on medium term strategic plans approved by the Board. Any major variations to strategic plan, based on experience are incorporated in the calculations. Cash flows beyond the 5 year period are extrapolated using a long term growth rate.

Key assumptions in the budgets and plans include future revenue volume/price growth rates, associated future levels of marketing support, cost-base of manufacture and supply and directly associated overheads. These assumptions are based on historical trends and future market expectations (also considering the possible effect of COVID-19, if any) 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 five-year period are extrapolated using the estimated long-term growth rate applicable for the geographies, with reference to historical economic growth rates. The growth rate assumed for the current financial year was 2.2%.
- discount rate – The discount rate is based on a Weighted Average Cost of Capital (WACC) for comparable companies operating in similar markets and geographies as the Group as the base discount rate. The pre-tax discount rate assumed for the current financial year was 13.1%.

The Group has performed sensitivity analysis around the base assumptions and has concluded that no reasonable possible changes in key assumptions would cause the recoverable amount to be less than the carrying value.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 4: Investments

Particulars	Face Value of Each (₹)	Number of Shares	₹ Lakh			
			2020		2019	
			Current	Non Current	Current	Non Current
A. Investments Carried at Fair Value through OCI						
Quoted Investments						
Investment in Quoted Equity Instruments						
Tata Chemicals Limited (159850 Equity Shares sold by the Holding Company during the year) (PY 160,000 Equity Shares)	10.00	150	-	0.34	-	942.08
AGGREGATE AMOUNT OF QUOTED INVESTMENTS			-	0.34	-	942.08
Total cost of Quoted Investments ₹ 0.39 Lakh (PY 160,000 Equity Shares ₹ 424.21 Lakh) and market value ₹ 0.34 Lakh (PY 160,000 Equity Shares ₹ 942.08 Lakh)						
Investments in Unquoted Equity Instruments						
Southern Scribe Instruments Private Limited *	100.00	7280	-	7.28	-	7.28
Armstrong Power Private Limited *	100.00	600	-	0.60	-	0.60
Armstrong Power Systems Private Limited *	100.00	900	-	0.90	-	0.90
K.T.V. Oil Mills Private Limited *	100.00	1450	-	1.44	-	1.44
Mytrah Vayu (Manjira) Private Limited *	10.00	162500	-	16.25	-	-
Coorg Orange Growers Co-Operative Society Ltd. **	100.00	4	-	-	-	-
Tata Coffee Co-operative Stores Limited **	5.00	20	-	-	-	-
Coorg Cardamom Co-operative Marketing Society Limited **	100.00	1	-	-	-	-
AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS			-	26.47	-	10.22
B Investments designated as Fair Value Through Profit and Loss						
Investments in Mutual Funds Tata - Money Market Mutual Fund - Direct Plan Growth - 320063.538 Units			10904.03	-	8541.40	-
Cost of Investments in Mutual Funds ₹ 10777.42 Lakh (PY ₹ 8257.30 Lakh)						
			10904.03	26.81	8541.40	952.30

* Relating to Power Purchase Agreement entered by the Holding Company

** Represent Amount less than ₹1000

Note No. 5: Loans

Particulars	₹ Lakh					
	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Unsecured Considered Good						
Employee Loans and Advances	340.87	15.95	356.82	235.10	32.06	267.16
Inter Corporate Deposits to related parties	-	-	-	1500.00	-	1500.00
Loans Receivables which have significant increase in Credit Risk	-	-	-	-	-	-
Loans Receivables - credit impaired	-	-	-	-	-	-
	340.87	15.95	356.82	1735.10	32.06	1767.16

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 6: Other Financial Assets

Particulars	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposits						
Secured, considered good	-	79.40	79.40	-	71.34	71.34
	-	79.40	79.40	-	71.34	71.34
Other Deposits						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	720.66	-	720.66	1008.13	750.14	1758.27
Doubtful	38.00	3.84	41.84	38.00	3.84	41.84
Less: Provision for Doubtful Deposits	(38.00)	(3.84)	(41.84)	(38.00)	(3.84)	(41.84)
	720.66	-	720.66	1008.13	750.14	1758.27
Interest Accrued (including from Related Parties ₹ Nil) (PY ₹ 31.06 Lakh)	41.34	-	41.34	77.74	-	77.74
Export Incentives Receivable	700.97	-	700.97	1400.54	-	1400.54
Other Financial Assets	3600.54	39.11	3639.65	4881.45	14.31	4895.75
	5063.51	118.51	5182.02	7367.86	835.79	8203.64

		₹ Lakh
Movements in Provision for Financial Assets		
As at April 1, 2018		41.84
Provision during the year		
As at April 1, 2019		41.84
Provision during the year		-
As at March 31, 2020		41.84

Note No. 7: Other Non-Current and Current assets

Particulars	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Capital Advances	-	160.78	160.78	-	282.48	282.48
Advances to suppliers						
Secured, considered good	87.28	-	87.28	12.32	-	12.32
Unsecured, considered good	649.80	-	649.80	655.44	-	655.44
Doubtful	66.09	2.99	69.08	60.75	2.99	63.74
Less: Provision for Doubtful Advances	(66.09)	(2.99)	(69.08)	(60.75)	(2.99)	(63.74)
Other Receivables	1505.24	-	1505.24	1055.91	1202.41	2258.32
Advances to Related Parties	773.83	-	773.83	156.95	-	156.95
Prepayments	883.78	171.86	1055.64	561.44	3221.39	3782.83
	3899.93	332.64	4232.57	2442.06	4706.28	7148.34

		₹ Lakh
Movements in Provision for Other Non-Current and Current Assets		
As at April 1, 2018		63.74
Provision for Doubtful Advances		-
As at April 1, 2019		63.74
Provision for Doubtful Advances		5.34
As at March 31, 2020		69.08

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 8: Inventories including Biological Assets

Particulars	₹ Lakh	
	2020	2019
	Current	Current
Stores and spares	1768.39	1907.17
Raw materials	6930.46	6617.59
Raw materials in Transit	1399.76	1698.21
Finished Goods	22933.26	19390.90
Work-in-progress, including Growing Produce of ₹ 735.11 Lakh (PY ₹ 445.38 Lakh)	735.11	445.38
Stock-in-trade	7868.09	6987.58
	41635.07	37046.83

Inventories are hypothecated as Security for part of the Working Capital facilities [Refer Note No. 14(a) - Borrowings].

The method of valuation of Inventories has been stated in Note No. 2.2(h) of Significant Accounting Policies. The Group has considered the possible impact relating to COVID-19 while estimating the fair value of the growing produce and determining the net realisable value of inventory of green coffee beans, tea and pepper. Based on the available internal and external information as determined by the management, the Group does not expect the carrying values of such inventories to be significantly impacted. Also refer to Note 2.3 (v) on significant judgements and estimates involved in the valuation of agricultural produce.

Note No. 9: Trade Receivables

Particulars	₹ Lakh	
	2020	2019
	Current	Current
Trade Receivables		
Secured, considered good	2747.29	1857.57
Unsecured, considered good	20919.28	14570.14
Doubtful	31.78	211.60
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	-	-
Less: Provision for Doubtful Receivables	(31.78)	(211.60)
Trade Receivables from Related Parties	661.53	723.67
	24328.10	17151.38

Trade Receivables are hypothecated as Security for part of the Working Capital facilities [Refer Note No. 14(a) - Borrowings].

The credit worthiness of Trade Receivables and the credit terms set are determined on a case to case basis and the Management has factored in the uncertainties arising out of COVID-19, as applicable. Considering that adequate insurance cover have been taken on export debts and based on the other internal and external sources of information as determined by the Management, the Company has concluded that there is a low probability of default on Trade Receivables.

The Fair Values of Trade Receivables 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 these become overdue.

Movements in Provision for impairment of Trade Receivables		₹ Lakh
As at April 1, 2018		79.50
Additions / Adjustments		132.10
As at April 1, 2019		211.60
Additions / Adjustments		(179.82)
As at March 31, 2020		31.78

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 10: Cash and Cash Equivalents/Bank Balances

Particulars	₹ Lakh	
	2020	2019
Unrestricted Balances with banks		
in current accounts	10460.56	4798.91
in deposit accounts with original maturity less than 3 months	288.27	0.70
Cash in hand	4.42	5.59
Remittances in Transit	0.01	0.03
Cash and Cash Equivalents	10753.26	4805.23
Unpaid Dividend / Debenture / Debenture Interest	238.01	259.55
Other Bank Balances	238.01	259.55

Note No. 11: Non-Current Assets Held for Sale

Particulars	₹ Lakh		
	Timber	Property, Plant & Equipment	Total
As at April 1, 2018	81.38	164.71	246.09
Additions	66.42	-	66.42
Disposals	(71.22)	(164.71)	(235.93)
As at April 1, 2019	76.58	-	76.58
Additions	43.32	-	43.32
Disposals	(39.49)	-	(39.49)
As at March 31, 2020	80.41	-	80.41

The Holding Company intends to dispose off certain Non-Current assets, it no longer utilises in the next 12 months. No impairment loss has been recognised on reclassification of such assets as held for sale, as the Holding Company expects that the Fair Value less costs to sell are higher than the related carrying amounts.

Note No. 12(a): Equity Share Capital

Particulars	₹ Lakh	
	2020	2019
	No. of shares	No. of shares
Authorised:		
250000000 (PY 250000000) Equity shares of ₹ 1 each with voting rights	2500.00	2500.00
Issued, Subscribed and Fully Paid:		
186770370 (PY 186770370) Equity shares of ₹ 1 each with voting rights	1867.70	1867.70
	1867.70	1867.70

A. Details of Shares held by Parent Company/Subsidiaries/Associates:

Name of Shareholder	₹ Lakh	
	2020	2019
	No. of Shares	No. of Shares
Tata Consumer Products Limited - Parent Company *	107359820	107359820
% of Holding	57.48%	57.48%

* Tata Consumer Products Limited (formerly known as, Tata Global Beverages Limited)

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

B. Details of Shareholders holding more than 5% shares:

Name of Shareholder	2020	2019
	No. of Shares	No. of Shares
Tata Consumer Products Limited - Parent Company	107359820	107359820
% of Holding	57.48%	57.48%

C. Reconciliation of number of shares:

Particulars	2020	2019
Number of shares as at 1st April	186770370	186770370
Add: Shares issued during the year		
Number of shares as at 31st March	186770370	186770370

D. Dividends Paid:

Particulars	2020	2019
Dividends Paid (₹ in Lakh)	2801.56	2801.56
Dividend Per Share (₹)	1.50	1.50

E. Rights, Preferences and restrictions of Equity Shares:

The Company has one class of equity shares having a par value of ₹ 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 in proportion to their shareholding.

The Board of Directors, in its meeting held on May 5, 2020, have recommended a dividend of ₹1.50 per share (face value of ₹1 each) for the year ended March 31, 2020. The proposal is subject to the approval of shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

Note No. 12 (b): Other Equity

Particulars	₹ Lakh	
	2020	2019
Capital Redemption Reserve	10.41	10.41
Securities Premium	14424.27	14424.27
General Reserves I	23827.79	23827.79
General Reserves II	11765.64	11107.29
Amalgamation Reserves	832.53	832.53
Retained Earnings	67792.26	64542.60
Equity instruments through Other Comprehensive Income	(0.05)	517.88
Effective portion of Cash Flow Hedges	(2263.73)	(1674.05)
Foreign Currency Translation Reserve	8527.61	3525.97
Actuarial Gain/(Loss)	(1328.74)	(954.38)
	123587.99	116160.31

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 13: Nature and purpose of Reserves

Capital Redemption Reserve

A Statutory Reserve created to the extent of sum equal to the nominal value of the share capital extinguished on buyback of Company's own shares pursuant to Section 69 of the Companies Act, 2013.

Securities Premium

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

General Reserves II

Capital profits on sale value of own timber are transferred to General Reserve II through the Retained Earnings.

Amalgamation Reserves

Amalgamation Reserves pertains to the scheme of amalgamation of the Company with erstwhile Asian Coffee Limited, Coffee Lands Limited and SIFCO Limited.

Note No. 14 (a): Borrowings

Particulars	₹ Lakh					
	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Current
Secured Borrowings:						
Term Loans						
Senior Debt	-	45665.92	45665.92		43392.13	43392.13
External Commercial Borrowing	-	34784.16	34784.16	-	35513.82	35513.82
Working Capital Facilities	11944.95	-	11944.95	10124.47	-	10124.47
Unsecured Borrowings:						
Loans from Related Party	-	22697.91	22697.91	3285.99	20744.91	24030.90
Loan from Banks - Working Capital Facilities	102.72	-	102.72	-	-	-
	12047.67	103147.99	115195.66	13410.46	99650.86	113061.32

1. Senior Debt is secured by specific security over the assets of overseas subsidiary. The loan is repayable on quarterly basis. Interest being charged at LIBOR plus margin.
2. External Commercial Borrowing is secured by mortgage of Plant and Machinery of the wholly owned Subsidiary Company. The loan is repayable on half-yearly instalments starting from Financial Year 2020-21. Interest being charged at LIBOR plus margin.
3. As per the terms of the Senior Debt and External Commercial Borrowing, the overseas subsidiaries are required to comply with various restrictive financial covenants including restriction on capital expenditure, additional indebtedness, acquisition and distributions to stockholders and networth. As at the year end, the overseas subsidiaries are in compliance with the required financial covenants, as applicable.
4. Working Capital facilities of the Holding Company are secured by hypothecation of crops, inventories, finished / semi-finished goods / receivables of the Company. Part of the working capital facilities of the Holding Company are also secured by deposit of title deeds of a coffee estate. The Working Capital facilities of the Holding Company are repayable on demand. The working Capital facilities of the wholly owned subsidiary are secured by the Corporate Guarantee issued by the Holding Company.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 14 (b): Lease Liabilities

Particulars	₹ Lakh					
	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Lease Liabilities	527.74	9508.18	10035.92	-	-	-
	527.74	9508.18	10035.92	-	-	-

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied to its Lease contracts existing on April 1, 2019, using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, the comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.

Rental expense recorded for short-term leases, under Ind AS 116, during the year ended March 31, 2020 is ₹ 54.77 Lakh.

	₹ Lakh
Short term leases	54.77
Lease of low value assets	-
Total	54.77

Note No. 15: Other Financial Liabilities

Particulars	₹ Lakh					
	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Deposits received	-	211.62	211.62	102.56	384.86	487.42
Current maturities of long-term debt	7391.20	-	7391.20	2420.24	-	2420.24
Unpaid Dividends / Debenture / Debenture Interest	238.01	-	238.01	259.55	-	259.55
Interest Accrued but not due	21.18	-	21.18	17.98	-	17.98
Interest payable to Related Parties	-	-	-	13.83	-	13.83
Employee Benefits	2523.23	-	2523.23	2713.13	-	2713.13
Other Payables	16169.72	198.16	16367.88	14988.16	194.98	15183.14
	26343.34	409.78	26753.12	20515.45	579.84	21095.29

Note No.16: Provisions

Particulars	₹ Lakh					
	2020			2019		
	Current	Non-Current	Total	Current	Non-Current	Total
Provision for employee benefits	340.48	4188.49	4528.97	910.72	3364.13	4274.85
	340.48	4188.49	4528.97	910.72	3364.13	4274.85

Details of Movement in Provisions:

Particulars	₹ Lakh		
	Current	Non-Current	Total
	Employee Benefits	Employee Benefits	Employee Benefits
Balance at April 1, 2018	961.70	3244.77	4206.47
Additions/utilised (net)	(50.98)	119.36	68.38
Balance at April 1, 2019	910.72	3364.13	4274.85
Additions/utilised (net)	(570.24)	824.36	254.12
Balance at March 31, 2020	340.48	4188.49	4528.97

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 17: Tax Provision

Particulars	₹ Lakh	
	2020	2019
a) Tax charge in the Statement of Profit and Loss:		
Current tax		
Current year	6471.23	5760.34
Deferred tax		
Deferred Tax expenses for the year *	(565.14)	558.98
Income Tax expense for the year	5906.09	6319.32

* The Holding Company has remeasured the Deferred Tax Liability (net) as at April 1, 2019 and accounted for net income tax of ₹ 720 lakh during the current year

Particulars	₹ Lakh	
	2020	2019
b) Reconciliation of Effective Tax Rate		
Profit before Tax	20007.46	17008.54
Tax using Domestic tax rate (Current year: 25.168% and Previous year: 34.608%)	5035.48	5943.47
Tax effect of		
Income tax at different rates	1348.80	247.08
Non-deductible tax expenses	140.75	177.70
Tax-exempt income	(618.94)	(48.92)
	5906.09	6319.32

Particulars	₹ Lakh	
	2020	2019
c) Current / Non-Current Tax Assets / Liabilities		
Current Tax Liabilities	790.49	1079.05
Non-Current Tax Assets	1419.21	2288.30
	628.72	1209.25

Particulars	₹ Lakh	
	2020	2019
d) The analysis of Deferred Tax Assets and Deferred Tax Liabilities are as follows:		
Deferred Tax Assets	2446.10	2163.48
Deferred Tax Liabilities	15816.85	15027.00
Deferred Tax Liabilities (Net)	13370.75	12863.52

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Particulars	₹ Lakh					
	Depreciation	Other Liabilities	Provision for Doubtful Debts	Employee Benefits	Other Assets	Total
e) The movement in Deferred Income Tax (Assets) and Liabilities during the year are as follows:						
As at April 1, 2018	10017.27	4943.79	(46.11)	(731.92)	(2172.38)	12010.64
(Charged) / credited						
- to Statement of Profit and Loss	(6950.72)	6604.51	24.76	141.26	739.17	558.98
- to Other Comprehensive Income	-	193.48	-	-	-	193.48
- to Others	-	-	-	-	100.42	100.42
As at April 1, 2019	3066.55	11741.78	(21.35)	(590.66)	(1332.79)	12863.52
(Charged) / credited						
- to Statement of Profit and Loss	(906.40)	(13.10)	5.96	127.46	220.94	(565.14)
- to Other Comprehensive Income	-	(444.71)	-	-	67.99	(376.72)
- to Others	-	2372.74	-	-	(923.65)	1449.09
As at March 31, 2020	2160.15	13656.71	(15.39)	(463.20)	(1967.51)	13370.75

Note No. 18 (a): Trade Payables to Micro and Small Enterprises

Particulars	₹ Lakh	
	2020	2019
	Current	Current
Trade payable for goods & services		
Total outstanding dues of Micro and Small Enterprises *	56.09	73.31
	56.09	73.31

* includes amounts due beyond the applicable period of ₹Nil (₹3.82 Lakh) and interest of ₹Nil (₹0.61 Lakh)

Note No. 18 (b): Trade Payables to Others

Particulars	₹ Lakh	
	2020	2019
	Current	Current
Trade payable for goods & services		
Total outstanding dues of creditors other than Micro and Small Enterprises	13654.94	9551.77
Trade Payable to Related Parties	1715.57	1672.15
	15370.51	11223.92
(i) Principal amount due remaining unpaid to Micro and Small Enterprises	56.09	72.70
(ii) Interest due remaining unpaid to Micro and Small Enterprises	-	-
(iii) Interest due and payable to Micro and Small Enterprises	-	0.61

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Holding Company.

Note No. 19: Other Current Liabilities

Particulars	₹ Lakh	
	2020	2019
	Current	Current
Statutory Liabilities	630.90	363.57
Advances from Customers	1217.50	566.14
	1848.40	929.71

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 20: Revenue from Operations

Particulars	₹ Lakh	
	2020	2019
Revenue from contracts with customers		
Sale of Goods	140160.73	126252.62
Sale of Traded Goods	51605.68	50172.85
Rendering of Services	592.92	576.46
Revenue from contracts with customers	192359.33	177001.93
Sale of Scrap / Waste	197.37	180.23
Export Incentives	2311.99	2475.52
Royalty Income	397.40	410.10
Exchange Fluctuation (Net)	918.19	-
Miscellaneous Income	421.66	330.40
Other Operating Revenues	4246.61	3396.25
Revenue from Operations	196605.94	180398.18

Note No. 21: Other Income

Particulars	₹ Lakh	
	2020	2019
Interest Income		
On Advances and Deposits at amortised cost	575.54	291.63
Dividend Income		
Dividend income from Other Non Current Investments at Fair Value through Other Comprehensive Income	19.98	35.17
Net Gain On sale of Current investments at Fair Value through Profit or Loss	508.77	334.85
(Loss) / Gain on investments carried at Fair Value through Profit or Loss	(157.49)	180.83
Profit on Sale of Biological Assets - Timber (Net)	658.35	784.90
Service Weightage Expenditure - Provision reversal	181.50	-
Rental income from Investment property	280.75	203.04
Operating Lease Rental income	4.78	12.81
	2072.18	1843.23

Note No. 22 (a): Cost of materials consumed

Particulars	₹ Lakh	
	2020	2019
Coffee	57737.35	48585.71
Tea	429.88	602.70
Others	1259.06	1179.24
Packing Materials	9377.21	8912.87
	68803.50	59280.52

Note No. 22 (b): Purchase of Traded Goods

Particulars	₹ Lakh	
	2020	2019
Coffee	28641.78	28243.62
Others	3533.75	5104.97
	32175.53	33348.59

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 22 (c): Changes in Inventories of finished goods, work-in-progress, Stock-in-trade and Biological Assets

Particulars	₹ Lakh	
	2020	2019
Opening Inventories as at April 1		
Finished Goods	23610.40	22419.07
Work-in-progress including Growing Produce	445.38	594.74
Stock in Trade	2768.07	2044.64
	26823.85	25058.45
Closing Inventories as at March 31		
Finished Goods	22933.26	23610.40
Work-in-progress including Growing Produce	735.11	445.38
Stock in Trade	7868.09	2768.07
	31536.46	26823.85
	(4712.61)	(1765.40)

Note No. 23: Employee Benefits Expense

Particulars	₹ Lakh	
	2020	2019
Salaries and wages, including bonus	28325.48	26652.97
Contribution to provident and other funds	2372.45	2235.93
Workmen and Staff Welfare	1992.33	2141.17
	32690.26	31030.07

Note No. 24: Finance Costs

Particulars	₹ Lakh	
	2020	2019
Interest expense		
On Fixed Loans	3945.79	2026.56
On Working Capital Loans	2163.55	2200.36
Interest on Defined Benefit Plans	246.13	240.77
Bank Charges	120.74	113.46
	6476.21	4581.15

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 25: Other Expenses

Particulars	₹ Lakh	
	2020	2019
Contract / Processing Charges	2681.88	2239.82
Consumption of Stores and Spare Parts	4100.56	3403.01
Power and Fuel	6300.12	4745.06
Repairs and Maintenance	2165.06	1699.76
Rent including Lease Rentals	54.77	1107.80
Rates and Taxes	336.21	447.18
Advertisement and Sale Charges	4690.63	6722.66
Selling Expenses	2924.96	2872.75
Freight	6835.94	7014.72
Insurance	684.89	562.20
Exchange Fluctuation (Net)	-	585.62
Provision for Doubtful Debts and Advances	5.34	-
Expenditure on Corporate Social Responsibility	135.59	191.65
Payment to Statutory Auditors [Refer Note No. 32]	129.12	96.49
Professional Charges	1442.20	1596.96
Miscellaneous Expenses	3076.16	875.50
Loss on sale of Property, Plant and Equipment	34.06	25.53
	35597.48	34186.71

Note No. 26: Exceptional Items

Particulars	₹ Lakh	
	2020	2019
Income		
Sale of Property	575.00	1611.27
Expenses		
Redundancy Costs Due To Business Restructuring	150.53	483.78
	424.47	1127.49

Note No. 27: Estimated amount of Contracts remaining to be executed

Particulars	₹ Lakh	
	2020	2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	471.46	773.69

Note No. 28: Contingent Liabilities

Particulars	₹ Lakh	
	2020	2019
Claims under adjudication not acknowledged as debts:		
i) Demands raised by Income Tax, Excise & Sales Tax Authorities	1512.24	1520.56
ii) Labour disputes under adjudication	94.00	94.00
iii) Claims by Customers / Suppliers	67.14	67.14

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 29: Litigations

The 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 a chemical - acrylamide, warning have to be included for coffee sold in that State pursuant to California State Laws. 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 Defense Group (JDG) that is arguing the case on behalf of several leading Coffee Companies as defendants. During 2018, the California Office of Environmental Health Hazard Assessment (OEHHA) proposed a new regulation clarifying that cancer warnings are not required for coffee under Proposition 65 list and subsequently in June 2019, the proposed regulation was adopted by the Office of Administrative law, which became law on October 1, 2019. The JDG, has filed a motion for summary judgment in January 2020, which is yet to be heard. At this stage of the proceedings, the outcome and potential liability, if any, to the subsidiary on account of their sales in the State of California is not determinable till the receipt of judgment, if any, which is appealable in higher courts.

Note No. 30: R&D Expenditure

Particulars	₹ Lakh	
	2020	2019
Capital Expenditure	4.77	4.57
Revenue Expenditure	97.36	99.59
Total	102.13	104.16
Total R&D Expenditure as a % of Revenue	0.05%	0.06%

Note No. 31: Payment to Statutory Auditors

Particulars	₹ Lakh	
	2020	2019
Audit Fees	50.00	40.00
Quarterly Audit Fees	18.00	18.00
Tax Audit Fees	12.00	12.00
Other Services	43.25	23.43
Reimbursement of expenses	5.87	3.06
Total	129.12	96.49

Note No. 32: Leases

Particulars	₹ Lakh	
	2020	2019
Within 1 Year	52.96	1005.44
1 to 2 Years	-	873.10
2 to 5 Years	-	1519.03
Over 5 Years	-	2655.46
Total	52.96	6053.02

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 33: Basic and Diluted Earnings per share

Particulars	₹ Lakh	
	2020	2019
Profit for the year attributable to owners of the Holding Company (₹ Lakh)	8240.27	6877.45
Weighted average number of equity shares	186770370	186770370
Nominal Value per equity share (₹)	1.00	1.00
Earnings per share from continuing operations - Basic and Diluted (₹)	4.41	3.68

Note No. 34: Financial Instruments-Accounting Classification and Fair Values

Financial Instruments

A. Accounting Classification and Fair Values

March 31, 2020		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:									
Quoted Equity Investments	Non-Current	-	0.34	-	0.34	0.34	-	-	0.34
Unquoted Equity Investments	Non-Current	-	26.47	-	26.47	-	26.47	-	26.47
Loans	Non-Current	-	-	15.95	15.95	-	-	-	-
Other Financial Assets	Non-Current	-	-	118.51	118.51	-	-	-	-
Investment in Mutual Funds	Current	10904.03	-	-	10904.03	10904.03	-	-	10904.03
Trade Receivables	Current	-	-	24328.10	24328.10	-	-	-	-
Cash and Cash Equivalents & Other Bank Balances	Current	-	-	10991.27	10991.27	-	-	-	-
Loans	Current	-	-	340.87	340.87	-	-	-	-
Other Financial Assets	Current	19.41	1862.46	3181.64	5063.51	-	1881.87	-	1881.87
Total Financial Assets		10923.44	1889.27	38976.34	51789.05	10904.37	1908.34	-	12812.71

March 31, 2020		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities:									
Borrowings	Non-Current	-	-	103147.99	103147.99	-	-	-	-
Lease Liabilities	Non-Current	-	-	9508.18	9508.18	-	-	-	-
Other Financial Liabilities	Non-Current	-	-	409.78	409.78	-	-	-	-
Borrowings	Current	-	-	12047.67	12047.67	-	-	-	-
Lease Liabilities	Current	-	-	527.74	527.74	-	-	-	-
Trade payables	Current	-	-	15426.60	15426.60	-	-	-	-
Other Financial Liabilities	Current	-	2433.78	23909.56	26343.34	-	2433.78	-	2433.78
Total Financial Liabilities		-	2433.78	164977.52	167411.31	-	2433.78	-	2433.78

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

						₹ Lakh			
March 31, 2019		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:									
Quoted Equity Investments	Non-Current	-	942.08	-	942.08	942.08	-	-	942.08
Unquoted Equity Investments	Non-Current	-	10.22	-	10.22	-	10.22	-	10.22
Loans	Non-Current	-	-	32.06	32.06	-	-	-	-
Other Financial Assets	Non-Current	-	-	835.79	835.79	-	-	-	-
Investment in Mutual Funds	Current	8541.40	-	-	8541.40	8541.40	-	-	8541.40
Trade Receivables	Current	-	-	17151.38	17151.38	-	-	-	-
Cash and Cash Equivalents & Other Bank Balances	Current	-	-	5064.78	5064.78	-	-	-	-
Loans	Current	-	-	1735.10	1735.10	-	-	-	-
Other Financial Assets	Current	50.02	402.22	6915.62	7367.86	-	452.24	-	452.24
Total Financial Assets		8591.42	1354.52	31734.72	41680.66	9483.48	462.46	-	9945.94

						₹ Lakh			
March 31, 2019		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities:									
Borrowings	Non-Current	-	-	99650.86	99650.86	-	-	-	-
Other Financial Liabilities	Non-Current	-	-	579.84	579.84	-	-	-	-
Borrowings	Current	-	-	13410.46	13410.46	-	-	-	-
Trade payables	Current	-	-	11297.23	11297.23	-	-	-	-
Other Financial Liabilities	Current	-	3227.38	17288.07	20515.45	-	3227.38	-	3227.38
Total Financial Liabilities		-	3227.38	142226.45	145453.83	-	3227.38	-	3227.38

B. Measurement of Fair Values

The basis of measurement in respect to each class of financial assets and financial liabilities are disclosed in Note 2.2 (g) of the Significant Accounting Policies.

Note No. 35: Financial Risk Management

Risk Management framework

The Board of Directors of the respective Companies have the overall responsibility for the establishment and oversight of their Risk Management framework. The respective boards have constituted the Risk Management Committee, which are responsible for developing and monitoring the risk management policies. The committees reports regularly to the Board of Directors on their activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit function, which regularly reviews risk management controls and procedures, the results of which are reported to the Audit Committee.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

The Group has exposure to Credit, Liquidity and Market risks arising from financial instruments:

A. CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

Trade and other receivables:-

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the country in which customers operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for Creditworthiness before the Group's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer and reviewed periodically.

At the end of the reporting period, there are no significant concentrations of credit risk. The carrying amount reflected above represents the maximum exposure to credit risk.

Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 10753.26 Lakh at March 31, 2020 (March 31, 2019: ₹ 4805.23 Lakh)

B. LIQUIDITY RISKS:

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. 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.

Maturities of Financial Liabilities:

Particulars	2020					2019					₹ Lakh
	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 years	Total	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 years	Total	
	Borrowings	33675.61	8511.36	58725.22	14283.47	115195.66	31609.20	6755.23	57309.20	17387.69	113061.32
Leases	527.74	1125.24	332.95	8049.99	10035.92	-	-	-	-	-	
Trade Payables	15426.60	-	-	-	15426.60	11297.23	-	-	-	11297.23	
Other Financial Liabilities	26343.35	346.53	63.25	-	26753.12	20412.89	521.82	160.58	-	21095.29	
Total	75973.30	9983.13	59121.42	22333.46	167411.30	63319.32	7277.05	57469.78	17387.69	145453.84	

C. MARKET RISKS:

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Group's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

The Plantation Industry is dependent on nature, making it susceptible to climate vagaries. The major weather factors that influence coffee yield are rainfall, temperature, light intensity and relative humidity. To mitigate the risk of drought conditions, the Group has invested significantly on augmentation of irrigation capacities rain water harvesting to improve the water table and enhance the water storage capacity. With regard to Plantation Operations, borer infestation and Tea Mosquito Bug [TMB] infestation are continuous threats being faced. The Holding Company, in addition to regular tracing and chemical control, has taken rigorous initiatives to curb pest incidence. It is also working closely with various R&D cells and Government agencies for developing effective measures in this regard.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Commodity Price Risk

The Group's exposure to Market risk for commodity prices can result in changes to realisation for its Plantation products and Cost of Production for its value added products. The risk associated is actively monitored for mitigation options. The other mitigants includes strict implementation of Board mandated Commodity policy and also the natural hedge arising on export of Plantation produce vis a vis import of Coffee for value-added segment. The Overseas Subsidiary, to manage the risks associated with commodity prices, enters into Coffee Futures and Option Contracts.

Coffee Futures:

The Overseas Subsidiary uses Coffee future contract to reduce its price risk associated with forecasted purchases of Coffee beans. Throughout the year, the Overseas Subsidiary enters into coffee futures based on market price and anticipated production requirements. The subsidiary determines the level and timing of coffee futures contract settlements to meet those production requirements throughout the year. These coffee futures have been designated as Cash Flow Hedges.

Option Contracts:

As at March 31, 2020 and 2019, the Overseas Subsidiary has written put contracts which require the subsidiary to purchase coffee if the spot price falls below the strike price and the option is exercised by the holder. The subsidiary has also open written call contracts which require the subsidiary to sell coffee if the spot price rises above the contract price and the option is exercised by the holder. For these obligations, the overseas subsidiary receives a premium. The overseas subsidiary also has bought put and call options for which the subsidiary pays a premium. The bought puts give the subsidiary the right to sell Coffee if the price falls below the contract strike price. The bought calls give the subsidiary the right to buy coffee if the spot price rises above the contract strike price.

Type of Commodities	Futures / Options	2020			2019		
		No. of Contracts	Amount Hedged USD in Mm	Fair Value ₹ Lakh	No. of Contracts	Amount Hedged USD in Mm	Fair Value ₹ Lakh
Coffee	Options - Written Puts	-	-	-	335	11.74	(247.56)
Coffee	Options - Purchased Puts	60	(2.09)	1.53	335	(11.31)	71.92
Coffee	Options - Written Calls	125	6.58	(42.56)	1025	55.59	(47.02)
Coffee	Options - Purchased Calls	125	(5.63)	60.44	1050	(51.00)	94.74
Coffee	Futures	568	23.63	1862.46	714	30.85	(2199.65)

Currency Risk

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Group is Indian Rupee. The Group uses forward exchange contracts to hedge its currency risk, mostly with a maturity of less than one year from the reporting date. The Group does not use derivative financial instruments for trading or speculative purposes. Following is the derivative financial instruments to hedge the foreign exchange rate risk as of March 31, 2020:

Type of Derivatives	Currency Pair	2020			2019		
		No. of Contracts	Amount Hedged Mm	Fair Value ₹ lakh	No. of Contracts	Amount Hedged Mm	Fair Value ₹ lakh
Forward exchange contracts	USD INR	118	25.48	(746.80)	56	12.50	333.36
Option contracts	USD INR	-	-	-	18	4.35	88.37
Forward exchange contracts	EUR INR	11	1.44	(38.16)	5	0.50	30.51

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

The carrying amount of the Group's foreign currency denominated Monetary Assets and Liabilities as at the end of the reporting period are as below:

Currency	Amount in Mm			
	Monetary Assets		Monetary Liabilities	
	2020	2019	2020	2019
USD	10.44	10.72	1.19	0.16
EUR	0.61	0.08	-	-

The 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 currency amounts stated in the above table.

Particulars	₹ Lakh			
	Effect on Profit before tax		Effect on Pre Tax Equity	
	2020	2019	2020	2019
Average USD rate	70.50	69.72	70.50	69.72
Average EUR rate	78.42	77.66	78.42	77.66
5% appreciation of USD INR	350	371	(956)	(607)
5% depreciation of USD INR	(350)	(371)	956	607

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. In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Type of Derivatives	Currency Pair	2020				
		No. of Contracts	Amount Hedged Mm	Fair Value ₹ lakh	Amount Hedged Mm	Fair Value ₹ lakh
Interest Rate Swap - ECB	USD	3	30.54	(2235.79)	30.54	(717.93)
Interest Rate Swap - Senior Debt	USD	1	31.35	(982.95)	33.10	(181.86)

Exposure to Interest Rate Risk

Group's interest rate risk arises from borrowings and finance lease obligations. Borrowings issued at fixed rates and finance lease obligations exposes to Fair Value interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

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:

Particulars	₹ Lakh	
	2020	2019
	Effect on Profit Before Tax	Effect on Profit Before Tax
50 basis Points increase	(397.65)	(329.80)
50 basis Points decrease	397.65	329.80

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Capital Management

The Group's objective for capital management is to maximize 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 a mix of equity, borrowings and operating cash flows.

The Group's Debt to equity ratio at March 31, 2020 is as below:

Particulars	₹ Lakh	
	2020	2019
Total Debt	122586.86	115481.56
Total Equity	168420.97	154269.96
Debt Equity Ratio	0.73:1	0.74:1

Note No. 36: Employee Benefits Obligations

Post Retirement Employee Benefits:

a) Defined Contributions:

An amount of ₹ 1620.03 Lakh (previous year: ₹ 1529.64 Lakh) has been charged to the Statement of Profit and Loss towards defined contribution schemes.

(b) Defined Benefits:

The post retirement Defined Benefit Plans are limited to the Holding Company and the disclosures on the same are covered in Note No. 38 of the Standalone Financial Statements.

Note No. 37: Fair Value Measurement of Agricultural Produce

The Fair Value Measurement disclosures are limited to the Holding Company and disclosures of the same are covered in Note No. 39 of the Standalone Financial Statements.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 38: Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products, services, geographic areas and major customers. Based on the 'Management' approach as defined under Ind AS108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance on a periodical basis and allocates resources based on an analysis of the performance of various Business and Geographical Segments. The Group's CODM is the Managing Director and Chief Executive Officer. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the Significant Accounting Policies.

Primary Segment	₹ Lakh							
	PLANTATIONS		VALUE ADDED PRODUCTS		UNALLOCATED		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019
I. Segment Revenue								
External Sales	30046.01	28521.12	168682.41	153992.47	1217.66	1042.26	199946.08	183555.85
Less: Inter-Segment Sales	1267.96	1314.44	-	-	-	-	1267.96	1314.44
TOTAL REVENUE	28778.05	27206.68	168682.41	153992.47	1217.66	1042.26	198678.12	182241.41
II. Segment Results	(688.32)	185.38	26498.43	20515.58	-	-	25810.11	20700.96
Interest Expense	-	-	-	-	-	-	(6476.21)	(4581.15)
Unallocated & Exceptional Income/(Expense)	-	-	-	-	-	-	673.56	888.73
PROFIT BEFORE TAX							20007.46	17008.54
III. Income Taxes							5906.09	6319.32
IV. Net Profit							14101.37	10689.22
V. Segment Assets	50128.94	48686.07	286645.85	249142.30	19596.09	21042.56	356370.88	318870.93
VI. Segment Liabilities	6578.59	5884.15	165909.05	140277.21	15462.27	18439.61	187949.91	164600.97
VII. Additions to Non-Current Assets	2682.36	4028.88	3916.04	32548.67	160.17	306.66	6758.57	36884.21
VIII. Depreciation and Amortisation	1009.17	907.65	6873.74	4614.51	181.85	176.56	8064.76	5698.72
IX. Material Non-Cash Items other than Depreciation and Amortisation	-	-	-	-	-	-	-	-

Notes :

- a) Business Segments : The internal business segmentation and the activities encompassed therein are as follows :
 - i) Plantations: Includes cultivation, manufacture and sale of Coffee and Other Plantation Crops
 - ii) Value Added Products: Includes Production and Sale of Roasted & Ground and Instant Coffee Products
 - iii) Unallocated income includes income from investments & exceptional items and expenditure includes expenses incurred on common services at the Corporate level.
- b) The Segment-wise revenue, results, assets and liabilities figures relate to the respective amounts directly identifiable to each of the segments.

Note No. 38 (a): Geographical Segment Reporting

Geographical revenues are segregated based on the locations of the customers who are invoiced or in relation to which the revenues is otherwise recognised.

Particulars	₹ Lakh	
	2020	2019
Secondary (Geographical) Segments		
CIS Countries *	5327.89	5677.82
Rest of the World *	53093.42	35168.31
USA	112084.40	110107.32
India	28172.41	31287.96
Total	198678.12	182241.41

* includes Direct Exports and exports through third parties and through export houses.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Additional Information pertaining to the Holding Company and its Subsidiaries

Name of the Entity	For the Year ended March 31, 2020										For the Year ended March 31, 2019									
	Net Assets		Share in Profit or Loss		Share of Other Comprehensive Income		Share of Total Comprehensive Income		Net Assets		Share in Profit or Loss		Share of Other Comprehensive Income		Share of Total Comprehensive Income					
	As a % of Consolidated Net Assets	Amount (₹ Lakh)	As a % of Consolidated Profit or Loss	Amount (₹ Lakh)	As a % of Consolidated Profit or Loss	Amount (₹ Lakh)	As a % of Consolidated Profit or Loss	Amount (₹ Lakh)	As a % of Consolidated Net Assets	Amount (₹ Lakh)	As a % of Consolidated Profit or Loss	Amount (₹ Lakh)	As a % of Consolidated Profit or Loss	Amount (₹ Lakh)	As a % of Consolidated Profit or Loss	Amount (₹ Lakh)				
Holding Company																				
Tata Coffee Limited	79.75%	100050.27	45.58%	3755.70	(26.91%)	(952.77)	23.79%	2802.93	82.24%	97066.86	52.48%	3609.34	2.76%	28.27	46.03%	3637.61				
Subsidiaries																				
Foreign																				
Consolidated Coffee Inc.	68.61%	86074.26	142.49%	11741.81	301.56%	10675.47	190.31%	22417.28	61.52%	72605.11	111.03%	7636.28	248.49%	2545.59	128.86%	10181.87				
Tata Coffee Vietnam Company Limited	3.83%	4807.88	(16.94%)	(1396.14)	(24.12%)	(853.73)	(19.10%)	(2249.87)	4.84%	5716.63	(8.09%)	(556.40)	(27.21%)	(278.78)	(10.57%)	(835.19)				
Less: Non-controlling Interest	(34.25%)	(42965.28)	(71.13%)	(5861.10)	(150.53%)	(5328.87)	(94.99%)	(11189.97)	(30.71%)	(36241.95)	(55.42%)	(3811.77)	(124.04%)	(1270.67)	(64.33%)	(5082.45)				
Less: Consolidation Elimination	(17.94%)	(22511.44)	-	-	-	-	-	-	(17.89%)	(21118.64)	-	-	-	-	-	-				
TOTAL	100.00%	125455.69	100.00%	8240.27	100.00%	3540.10	100.00%	11780.37	100.00%	118028.01	100.00%	6877.45	100.00%	1024.40	100.00%	7901.85				

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 39 (a): Related Party Transactions

In accordance with Ind AS 24, the disclosures required are given below:

Sl. Nature of transaction	Promoter		Parent Company		Key Management Personnel		Fellow Subsidiaries/ JVs		Subsidiaries/JVs of Promoter		Post Employment Benefit Plans		Total	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
1 Sale of Goods	-	-	3002.53	2825.61	-	-	1602.55	1775.96	-	-	-	-	4605.08	4601.57
2 Rendering of Services	-	-	-	-	-	-	117.70	166.09	31.89	31.89	-	-	149.59	197.98
3 Purchase of Goods	-	-	75.90	16.80	-	-	-	77.17	1449.94	2203.38	-	-	1525.84	2297.36
4 Directors' Remuneration**	-	-	-	-	465.80	749.68	-	-	-	-	-	-	465.80	749.68
5 Receiving of Services	308.67	298.48	216.00	383.54	-	-	3061.33	4612.34	743.25	708.83	-	-	4329.26	6003.19
6 Reimbursement of expenses / (income) - Net	-	-	(129.98)	(179.59)	-	-	-	-	-	-	-	-	(129.98)	(179.59)
7 Interest Payment	-	-	-	-	-	-	1646.45	1691.50	-	-	-	-	1646.45	1691.50
8 Dividend Paid	-	-	3970.64	3932.78	-	-	1215.92	1196.42	-	-	-	-	5186.57	5129.20
9 Sale of Non - Current Investments	1206.87	-	-	-	-	-	-	-	-	-	-	-	1206.87	-
10 Contribution to Post Retirement Benefit Plans	-	-	-	-	-	-	-	-	-	-	740.60	777.54	740.60	777.54
11 Inter Corporate Deposits at the year end	-	-	-	-	-	-	-	-	-	1500.00	-	-	-	1500.00
12 Interest Received/Accrued on Inter Corporate Loans	-	-	-	-	-	-	-	-	285.10	256.13	-	-	285.10	256.13
13 Loan outstanding at the year end - Tata Consumer Products UK Group Limited	-	-	-	-	-	-	22697.91	24030.90	-	-	-	-	22697.91	24030.90
14 Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit	293.49	298.48	19.26	12.50	-	-	1638.03	1668.58	57.80	33.16	-	-	2008.58	2012.72
Debit	-	-	196.69	409.86	-	-	464.84	313.50	773.83	1688.34	-	-	1435.37	2411.69

The above information is excluding taxes and duties except Outstanding Balances at the year end
 ** Includes contribution towards Provident Fund and Superannuation Fund

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Names of Related Parties and description of relationship

1. Promoter Company	Tata Sons Private Limited
2. Parent Company	Tata Consumer Products Limited (formerly known as, Tata Global Beverages Limited)
3. Key Management Personnel	Mr Chacko Purackal Thomas, Managing Director & CEO Mr K Venkataramanan, Executive Director - Finance & CFO
4. Fellow Subsidiaries / JVs	Tata Global Beverages Investments Limited Tata Consumer Products UK Group Limited (formerly known as, Tata Global Beverages Group Limited) Tata Consumer Products GB Limited (formerly known as, Tata Global Beverages GB Limited) Good Earth Tea Inc. Good Earth Corporation Tetley USA Inc. Tata Consumer Products US Holdings Inc. (formerly known as, Tata Global Beverages US Holdings Inc.) Tata Global Beverages Services Limited Tata Consumer Products Capital Limited (formerly known as, Tata Global Beverages Capital Limited) Tata Consumer Products Canada Inc. (formerly known as, Tata Global Beverages Canada Inc.) Tata Starbucks Private Limited Empirical Group LLC Tata Water LLC Tea Pigs US LLC Tata Consumer Products Australia Pty. Limited (formerly known as, Tata Global Beverages Australia Pty. Ltd.) Earth Rules Pty. Ltd. Tata Global Beverages Polska Sp.zo.o.
5. Subsidiaries / JVs of Promoter Company	Tata Consultancy Services Limited Tata Housing Development Company Limited Tata Realty and Infrastructure Limited Tata Teleservices Limited Tata Uganda Limited Tata Communications Limited Tata AIG General Insurance Company Limited Tata AIA Life Insurance Company Limited Tata Industries Limited
6. Post Retirement Benefit Plans	Tata Coffee Staff Provident Fund Trust Tata Coffee Superannuation Scheme Tata Coffee Employees Gratuity Fund

CHACKO PURACKAL THOMAS
Managing Director & CEO

V. LEELADHAR
Director

K. VENKATARAMANAN
Executive Director - Finance & CFO

N. ANANTHA MURTHY
Company Secretary

Place: Bengaluru
Date: May 5, 2020

Notes

to the Consolidated Financial Statements for the year ended March 31, 2020

Note No. 39 (b): Details of Material Transactions with Related Parties

Particulars	₹ Lakh	
	2020	2019
Sale of Goods		
Parent Company		
Tata Consumer Products Limited [formerly known as, Tata Global Beverages Limited]	3002.53	2825.61
Fellow Subsidiaries / JVs		
Tata Starbucks Private Limited	1416.27	1642.30
Purchase of Goods		
Subsidiaries / JVs of Promoter		
Tata Uganda Limited	1449.94	2203.38
Receiving of Services		
Fellow Subsidiaries / JVs		
Tetley USA Inc.	1298.91	2002.64
Empirical Group LLC.	942.49	1086.16
Good Earth Tea Inc.	783.29	1275.99
Interest Payment		
Fellow Subsidiaries / JVs		
Tata Consumer Products UK Group Limited	1646.45	1541.20
Sale of Non - Current Investments		
Promoter Company		
Tata Sons Private Limited	1206.87	-

Statement of Crop particulars of Coffee (Arabica and Robusta), Tea & Pepper

Name of the Estate	ARABICA			ROBUSTA			TEA			PEPPER		
	Bearing Area in Hectares	Crop MT	YPH in Kgs	Bearing Area in Hectares	Crop MT	YPH in Kgs	Bearing Area in Hectares	Crop MT	YPH in Kgs	Mature Vines (Nos.)	Crop MT	Yield Per Vine in Kgs
COFFEE:												
KARNATAKA												
Anandapur	15.00	6	403	356.70	381	1068				15777	55	3.60
Balmany	4.10	1	244	209.10	161	770				6644	30	4.91
Cannoncadoo	101.60	35	344	198.50	277	1395				16874	59	3.50
Cottabetta	6.56	2	305	383.99	444	1156				30890	142	4.59
Coovercolly	260.85	138	529	204.20	150	735				28230	6	0.21
Jumboor	369.90	214	579	0.00	0	0				25738	11	0.43
Margolly	189.76	56	295	277.42	255	919				21967	58	2.64
Nullore	373.06	326	877	84.70	92	1086				37615	88	2.34
Pollibetta	12.30	5	407	291.06	276	948				9841	36	3.66
Sunticoppa	224.60	129	574	0.00	0	0				17361	16	0.92
Woshully	17.25	4	232	404.45	420	1038				16754	48	2.86
Yemmigoondi	56.20	25	445	474.40	531	1119				17608	62	3.52
COORG	1631.18	941	578	2884.52	2987	1036				245299	611	2.50
Gubgul	3.60	2	556	125.95	166	1318				3981	19	4.77
Goorghully	154.57	61	395	233.05	349	1498				25298	39	1.54
Karadibetta	112.10	33	294	257.30	250	972				17935	13	0.72
Merthikhan	78.86	46	583	25.25	18	713				353	0.15	0.42
Mylemoney	309.33	148	478	78.90	99	1255				9984	4	0.40
Ubban	191.90	110	573	206.75	324	1567				20890	15	0.72
HASSAN	850.36	400	470	927.20	1206	1301				78441	90	1.15
	2481.54	1341	541	3811.72	4193	1100				323740	701	2.17
Tamil Nadu												
Valparai	414.44	84	203	233.64	212	907				34845	56	1.61
TEA:												
KARNATAKA												
Merthikhan							40	55	1382			
Glenlorna							245	788	3218	5074	18	3.55
TAMIL NADU												
Pachamalai							301	708	2356			
Pannimade							420	759	1807			
Uralikal							430	788	1833			
Velonie							384	790	2059			
KERALA												
Malakiparai							522	986	1890			
Grand Total	2895.98	1425	492	4045.36	4405	1089	2341	4874	2082	363659	775	2.14
Add : Tea manufactured out of bought leaf at Anamallais										545		
Total made Tea production during FY 2019/20										5419		

To,
TSR Darashaw Consultants Private Limited
Unit: Tata Coffee Limited
6, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road, Mahalaxmi,
Mumbai - 400 011.

Update of Shareholder Information

I/ We request you to record the following information against our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN / Registration No.: * (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details:

IFSC: (11 digits)	MICR: (9 digits)
Bank A/c Type:	Bank A/c No.: *
Name of the Bank:	
Name of the Branch & Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/ We would not hold the Company/ RTA responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/ We understand that, the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No./ beneficiary account.

Place:

Date:

Signature of Sole/ First holder



Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements—written and oral—that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected – readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.



TATA COFFEE LIMITED

No. 57, Railway Parallel Road
Kumara Park West
Bengaluru - 560020
Tel: + 91 80 23561976/ 81
Fax: + 91 80 23561972