

TCPL BEVERAGES & FOODS LIMITED

This disclosure document dated September 15, 2022 (“**Disclosure Document**”) has been prepared solely as per the requirement of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time) in connection with the Composite Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 filed before the National Company Law Tribunal, Bengaluru Bench and Kolkata Bench amongst Tata Consumer Products Limited (“**TCPL**”), Tata Coffee Limited (“**TCL**”), TCPL Beverages & Foods Limited (“**TBFL**” or “**Company**”) and their respective shareholders and creditors (“**Scheme**”).

This disclosure document contains the applicable information (as prescribed in the format for abridged prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements), 2018, pertaining to TBFL, being an unlisted company in the Scheme.

This disclosure document shall not be considered as an invitation or an offer of any securities by or on behalf of TBFL, TCPL or TCL, on private placement or a public offer.

This disclosure document should be considered as a part of and shall be read together with the Scheme and the Notice and Explanatory Statement to the shareholders of TCPL/TCL as the case may be, in connection with the Scheme.

THIS DISCLOSURE DOCUMENT CONSISTS OF 8 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

TCPL BEVERAGES & FOODS LIMITED

CIN: U15400KA2022PLC158373, Date of Incorporation: February 25, 2022

Registered Office & Corporate Office	Kirloskar Business Park, Block C, 3rd & 4th Floor, New Airport Road, Hebbal, Bangalore - 560024, Karnataka, India
Contact Person	Mr. Akram Jamal, Director
Telephone	+91 80 67171220
E-mail	akram.jamal@tataconsumer.com
Website	NA

PROMOTER OF TBFL: TATA CONSUMER PRODUCTS LIMITED

Details of Offer to Public - Not Applicable as TBFL is not offering any securities/equity shares and no investment by the public is being made in TBFL, pursuant to the Scheme.

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders - Not Applicable as no transfer of the securities/equity shares of TBFL is proposed and no investment by the public is being made in TBFL, pursuant to the Scheme

Price Band, Minimum Bid Lot & Indicative Timelines - Not Applicable as TBFL is not offering any securities/equity shares and no investment by the public is being made in TBFL, pursuant to the Scheme.

Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP - Not Applicable as TBFL is not offering any securities/equity shares and no investment by the public is being made in TBFL, pursuant to the Scheme.

RISKS IN RELATION TO THE FIRST OFFER

Not Applicable as TBFL is an unlisted company and is not offering any securities/ equity shares through an initial public offer to the public at large, pursuant to the Scheme.

GENERAL RISKS

For taking any investment decision, investors must rely on their own examination of TCL, TCPL, TBFL and the Scheme, including the risks involved. The allotment of equity shares of TCPL under the Scheme is limited to the shareholders of TCL (other than TCPL). No equity shares are being issued by TBFL pursuant to the Scheme. The equity shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy

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of the contents of the Disclosure Document. Specific attention is invited to the section titled “Risk Factors” at page 6 of this Disclosure Document.

PROCEDURE

The procedure with respect to public issue/ offer would not be applicable to TBFL as TBFL is an unlisted company and is not offering any of its securities/equity shares to the public under the Scheme. Further, the allotment of equity shares of TCPL under the Scheme is limited to the shareholders of TCL (other than TCPL). Hence, the procedure with respect to a General Information Document is not applicable.

PRICE INFORMATION OF BRLM’s - Not Applicable

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included – **Not Applicable**

Name of Statutory Auditor: Deloitte Haskins & Sells LLP Chartered Accountants, bearing Firm Registration Number (Firm Registration No. 117366W/W-100018)

PROMOTERS OF TBFL

Sr. No.	Name	Individual/ Corporate	About TCPL
1.	Tata Consumer Products Limited	Corporate	<p>TCPL is a public limited company incorporated on October 18, 1962, having its registered office at 1, Bishop Lefroy Road Kolkata - 700020, West Bengal.</p> <p>TCPL is engaged in the business of manufacturing, marketing, distribution and/ or sales of consumer products, with offerings across food and beverage categories which includes tea, coffee, water and ready-to-drink beverages, salt, pulses, spices and ready-to-eat products and is also engaged in the business of out-of-home retail which includes concept and premium cafes. The equity shares of TCPL are listed on National Stock Exchange of India Limited, BSE Limited and the Calcutta Stock Exchange Limited and its global depository receipts are listed on the London Stock Exchange and the Luxembourg Stock Exchange.</p> <p>Educational Qualification: Not Applicable</p>

BUSINESS OVERVIEW AND STRATEGY

Company Overview:

TBFL is an unlisted public limited company which was incorporated on February 25, 2022, under the provisions of the Companies Act, 2013, and its registered office is at Kirloskar Business Park, Block C, 3rd & 4th Floor, New Airport Road, Hebbal, Bangalore - 560024, Karnataka, India. TBFL is a wholly owned subsidiary of TCPL. The main objects of TBFL include, *inter alia*, carrying on the business of manufacturing, trading, producing, cultivating and selling beverages and foods of all kinds and of cultivating coffee, tea, etc.

TBFL has been formed as a wholly owned subsidiary specifically to carry on the Plantation Business upon the Scheme becoming effective.

Product/Service Offering: Yet to commence the business activities.

Revenue segmentation by product/service offering: Nil

Geographies Served: Not Applicable, since the Company does not have any active business operations as on the date of this Disclosure Document

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Revenue segmentation by geographies: Nil
Key Performance Indicators: Not Applicable, since the Company does not have any active business operations as on the date of this Disclosure Document
Client Profile or Industries Served: Not Applicable since the Company does not have any active business operations as on the date of this Disclosure Document
Revenue segmentation in terms of top 5/10 clients or Industries: Not Applicable, since the Company does not have any active business operations as on the date of this Disclosure Document
Intellectual Property, if any: Nil
Market Share: Nil, since Company does not have any active business operations as on the date of this Disclosure Document
The manufacturing plant, if any: Nil
Employee Strength: Nil as on the date of this Disclosure Document. However, upon the Scheme becoming effective, all the employees (including senior management) of TCL employed in or in relation to the Plantation Business (as defined under the Scheme) immediately prior to the Effective Date (as defined under the Scheme) shall be deemed to have become employees of TBFL, with effect from the Effective Date, in the same capacity as they were employed with TCL.

BOARD OF DIRECTORS				
Sr. No.	Name	Designation (Independent / Wholtime / Executive / Nominee)	Experience & Educational Qualification	Other Directorships
1.	Mr. John Jacob (DIN: 7798169)	Non-Executive Director (Chairman)	Mr. John Jacob is a Chartered Accountant He is currently acting as an Advisor - Corporate Finance for Tata Consumer Products Limited. He was Senior Vice President – Corporate Finance and Chief Financial Officer – India of Tata Consumer Products Limited from August 2014 till May 2022, where he superannuated after serving 28 years in various functions in Tata Consumer Products Limited.	Indian Companies: (i) Amalgamated Plantations Private Limited; (ii) TRIL Constructions Limited Foreign Companies: Nil
2.	Mr. Ajit Sukumar Krishnakumar (DIN: 08002754)	Non-Executive Director	Mr. Ajit Krishnakumar has a post-graduate degree in business administration from the University of Michigan, Ann Arbor, U.S.A. and a bachelor's degree in business administration from the University of Hartford, Connecticut, U.S.A. He is currently working as Chief Operating Officer of Tata Consumer Products Limited and is responsible for business integration and transformation as well as the integrated India operations and B2B businesses.	Indian Companies: (i) Tata SmartFoodz Limited; and (ii) Smart Building Development & Estate Management Private Limited Foreign Companies: Nil
3.	Akram Jamal (DIN: 09520303)	Non-Executive Director	Mr. Akram Jamal is a qualified Chartered Accountant and a Company Secretary. He is currently working as Vice President – Corporate Finance in Tata Consumer	Indian Companies: NIL Foreign Companies: Nil



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			Products Limited and looking after the entire corporate finance portfolio for Tata Consumer Products Limited along with finance oversight on the non-branded business.
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OBJECT OF THE ISSUE – Not applicable as TBFL is not offering securities/equity shares through an initial public offer to the public at large, pursuant to the Scheme.

DETAILS OF THE SCHEME

TCPL along with its subsidiaries, joint ventures and associates is *inter alia* engaged in the business of manufacturing, marketing, distribution and/ or sales of consumer products, with offerings across food and beverage categories which includes tea, coffee, water and ready-to-drink beverages, salt, pulses, spices and ready-to-eat products and is also engaged in the business of out-of-home retail which includes concept and premium cafes. TCL is a subsidiary of TCPL and is a listed company. TCL along with its subsidiaries joint ventures and associates is *inter alia* engaged in the plantation business of cultivation, curing and processing of coffee, tea, pepper and allied plantation products and in manufacture and sale of instant, soluble coffee powders and branded coffee products. TBFL is a wholly owned subsidiary of TCPL. The main objects of TBFL include, *inter alia*, to carry on the business of manufacturing, trading, producing, cultivating and selling beverages and foods of all kinds and of cultivating coffee, tea, etc.

TCPL is currently engaged in a consumer product business, with a food and beverage portfolio, with operations across the globe. The operations of TCL and its subsidiaries are substantially in instant coffee extraction, branded coffee and plantation businesses. A composite scheme of arrangement is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act (as defined hereinafter) is proposed amongst TCPL, TCL, TBFL and their respective shareholders and creditors (“Scheme”) with a view to simplifying the management and operational structures of the said companies in order to increase efficiencies and generate synergies. The Scheme, *inter alia*, provides for the following:

- (i) as a first step, the demerger of the Demerged Undertaking (*as defined in the Scheme*) (*comprising of the Plantation Business (as defined in the Scheme)*) of TCL into TBFL and in consideration, the consequent issuance of equity shares by TCPL (*as the holding company of TBFL*) to all the shareholders of TCL (other than TCPL) in accordance with the Share Entitlement Ratio (*as defined in the Scheme*), pursuant to the provisions of Section 2(19AA) read with Section 2(41A) and other relevant provisions of the Income Tax Act, 1961 and the rule made thereunder (“**Demerger**”);
- (ii) as a second step, followed immediately by the amalgamation of TCL (*comprising the Remaining Business of TCL (as defined in the Scheme)*) with TCPL and in consideration, the consequent issuance of equity shares by TCPL to all the shareholders of TCL (other than TCPL) in accordance with the Share Exchange Ratio (*as defined in the Scheme*), pursuant to the provisions of Section 2(1B) and other relevant provisions of the Income Tax Act, 1961 and the rule made thereunder (“**Amalgamation**”); and
- (iii) various other matters consequential or otherwise integrally connected therewith.

Upon the Scheme becoming effective and in consideration of the transfer and vesting of the Demerged Undertaking from TCL to TBFL in terms of the Scheme, TCPL (as the holding company of TBFL) shall issue and allot such number of equity shares to the shareholders of TCL (other than TCPL) as on the Record Date (as defined in the Scheme) in the following manner:

“1 (one) fully paid up equity share of Re. 1/- each of TCPL shall be issued and allotted for every 22 (twenty-two) fully paid up equity shares of Re. 1/- each held in TCL.”

These equity shares, which are to be issued by TCPL pursuant to the Scheme, are proposed to be listed on National Stock Exchange of India Limited (designated stock exchange), BSE Limited and the Calcutta Stock Exchange Limited.



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On the Scheme becoming effective, all the employees (including senior management) of TCL employed in or in relation to the Plantation Business immediately prior to the Effective Date shall be deemed to have become employees of TBFL, with effect from the Effective Date, in the same capacity as they were employed with TCL.

Rationale of the Scheme:

- A.** TCPL is currently engaged in a consumer product business, with a food and beverage portfolio, with operations across the globe. The operations of TCL and its subsidiaries are substantially in instant coffee extraction, branded coffee and plantation businesses. TCL is currently a subsidiary of TCPL. The Scheme is being proposed with a view to simplifying the management and operational structures of TCPL, TCL and TBFL (together, hereinafter referred to as “**Companies**”) in order to increase efficiencies and generate synergies.
- B.** The proposed Scheme would be in the best interest of the Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed restructuring pursuant to this Scheme is expected, *inter alia*, to result in the following benefits:

Benefits of the Demerger

- (a) Creating a dedicated plantation vertical with focused attention on the plantation business, which will enable increased efficiencies and generate synergies amongst the various plantation businesses wholly or partly owned by TCPL and better resource allocation, resulting in enhancement of shareholders’ value.
- (b) The shareholders of TCL (other than TCPL) will be allotted shares of TCPL and therefore will be shareholders of a larger branded consumer products business with multiple growth avenues and at the same time, will continue to participate in the plantation business.
- (c) The profile, operations, management risk and return associated with the Plantation Business (*as defined in the Scheme*) is distinct from that of the Remaining Business (*as defined in the Scheme*) and therefore the Scheme would lead to sharper focus on both the businesses.

Benefits of the Amalgamation

- (a) Integration of TCL and TCPL’s extraction business activities under a single entity through the amalgamation will result *inter alia* in focused management attention, operational efficiencies, revenue and cost synergies including from commonality of customers, sales and supply chain opportunities through enhanced geographical reach with a wider variety of product offerings which will help in gaining market share, optimization of capital, operational (including promotion) expenditure, leveraging sales and distribution network and simplification of overlapping infrastructure.
- (b) The amalgamation of TCL with TCPL would bring about synergy of operations and benefit of scale and additionally, the legal and regulatory compliances of both the listed entities will be unified and streamlined.
- (c) The amalgamation will enable efficient consolidation of ownership interests in the international branded business owned by TCPL and TCL which will result in cost benefits, higher operating and other efficiencies.

- C.** Therefore, in view of the above, the implementation of the Scheme will result in the following benefits:

- (a) Dedicated and specialized management focus on the specific needs of the respective businesses.
- (b) Having one listed company for consumer and related businesses and convergence of minority interests from TCL into TCPL.
- (c) Benefit to all the stakeholders of TCPL, TCL and TBFL, leading to opportunity for growth and value creation in the long run and maximizing the value and returns to the shareholders.
- (d) Unified approach on customer engagement, distribution and supply chain management would lead to operational and financial efficiencies in all these functions.



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Shareholding Pattern as on the date of this Disclosure Document:

Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre Issue
1.	Promoter and Promoter Group	50,000 equity shares of Rs. 10 each. 75,00,000 Optionally Convertible Redeemable Preference shares of Rs. 10 each.	100.00%
2.	Public	-	-
	Total	50,000 equity shares and 75,00,000 Optionally Convertible Redeemable Preference shares	100.00%

Number/amount of equity shares proposed to be sold by selling shareholders, if any. – Not Applicable

FINANCIAL STATEMENTS: TBFL was incorporated on February 25, 2022. The first financial year of TBFL has commenced from its date of incorporation i.e. February 25, 2022, and shall end on March 31, 2023, as per the Section 2(41) of the Companies Act, 2013. Therefore, the audited financial statements of TBFL are not available and hence, have not been disclosed in this Disclosure Document.

TBFL was set up with an initial capital of Rs. 0.05 Crore, pursuant to the subscription of 50,000 equity shares of the face value of Rs. 10 by TCPL along with its nominee as first subscribers to the Memorandum of Association, Subsequently, TCPL has infused Rs. 7.5 Crores by subscribing to 75,00,000 Optionally Convertible Redeemable Preference Shares of Rs. 10/-each at par, pursuant to Rights Issue offered made by TBFL.

RISK FACTORS

TBFL has been recently incorporated with the objective to carry on the business of *inter alia* manufacturing, trading and selling beverages and foods of all kinds and other related activities. Once operational, TBFL may be exposed to the following risks:

- Business risk:** TBFL has been incorporated with an object to primarily carry on the Plantation Business. The completion of the Scheme is subject to the approval of the shareholders and authorities including the NCLT. In case the Scheme does not get effected due to any approvals or otherwise, this would impact TBFL's ability to commence its business operations.
- Compliance risk:** The Food & Beverages segment is subject to extensive government regulation. Any failure to obtain and maintain statutory and regulatory permits, certificates and approvals including approvals under the Food Safety and Standards Act, 2006, environmental, tax and labour approvals and factory licenses could have an adverse effect on TBFL's business.
- Quality of goods sold:** Any contamination or deterioration of the beverages manufactured by TBFL or inability to meet domestic and international quality standard norms could result in legal liability, damage reputation and adversely affect sales, business prospects and financial performance.
- Supply chain management:** An interruption in the supply or significant increase in the price or availability of raw materials or packaging materials may adversely affect TBFL's business, prospects, results of operations and financial condition.
- Operational risk:** Out-dated equipment and facilities and unexpected plant shut down may lead to higher maintenance cost on fixed assets and affect business efficiency. A prolonged shutdown in manufacturing and processing operations due to labour disputes, strikes, accidents, political or social disturbances can also adversely affect sales and revenue from operations. Further, any impact on the plantation land under the relevant lease agreements or in view of adverse government directives can impact the production capacity of TBFL.
- Sales and competition:** The F&B business is highly dependent on consumer preferences. Changes in customer tastes and demographic trends may adversely affect sales and results of operations. Fluctuations in commodity prices can also impact revenue. Further, the sector is subject to intense competition in terms of pricing, innovation,



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quality, marketing and customer service. An inability to maintain its competitive position can adversely affect TBFL's business, results of operations and financial condition.

7. **Brand value:** The ability to market and sell products is significantly dependent on the 'Tata' brand. Any adverse publicity involving the 'Tata' brand or the Tata group can substantially impair TBFL's reputation and the marketing and sales of its products.
8. **IT Risk:** IT systems are critical to the management of large production operations and distribution networks and in turn, to maximize efficiencies and optimize costs. IT interruptions and system failures could have an adverse effect on TBFL's ability to realise the anticipated improvements in productivity and efficiency.

SUMMARY OF OUTSTANDING LITIGATION, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs. In crores)
TBFL						
By TBFL	0	0	0	0	0	0
Against TBFL	0	0	0	0	0	0
Directors						
By the Directors of TBFL	0	0	0	0	0	0
Against the Directors of TBFL	0	0	0	0	0	0
Promoter						
By the Promoter of TBFL	4	55	0	0	0	61.71
Against the Promoter of TBFL	1	0	29	0	0	0
Subsidiaries						
By the Subsidiaries	Not applicable as TBFL does not have any subsidiary					
Against the Subsidiaries	Not applicable as TBFL does not have any subsidiary					

B. Brief details of top 5 material outstanding litigations against the company and the amount involved

Sr. No.	Particulars	Litigation filed by	Current status	Amount Involved
1.	Nil	NA	NA	NA

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in the last 5 financial years including outstanding action, if any:- None

D. Brief details of outstanding criminal proceedings against Promoters:

V. Mohan Kumar, Secretary, Public Interest Protection Association had filed Complaint Nos. 2078 and 2079 of 2005 before the Kerala Lok Ayukta alleging that TCPL has encroached on excess land. Subsequently, complaint No.2079/2005 has been withdrawn by V. Mohan Kumar. The other complaint is under investigation and TCPL has provided all the information to the investigating agency. The complaint is yet to be disposed of by Lok Ayukta.



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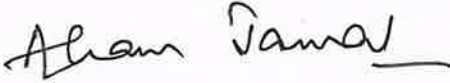
ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY

NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Disclosure Document is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Disclosure Document are true and correct.

For TCPL Beverages & Foods Limited



Akram Jamal
Director

Place: Bangalore
Date: September 15, 2022

