COFFEE DAY ENTERPRISES LIMITED

To,

National Stock Exchange of India Limited
Manager-Listing
Exchange Plaza,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051
Tel No. 022-2659 8237/38
takeover@nse.co.in

BSE Limited
General manager-DSC
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai – 400 001
Tel No. 022-2272 2039/37/3121
corp.relations@bseindia.com

Dear Sir/s,

03rd October, 2018

Sub.: Disclosure under Regulation 34 of SEBI (LODR), 2015 for Submission of adopted Annual Report for FY 2017-18

We are forwarding herewith the Annual Report for the FY 2017-18 as required under Regulation 34 of SEBI (LODR) Regulations, 2015, as duly approved and adopted by the members at the 10th Annual General Meeting as per the provisions of Companies Act, 2013.

Kindly take the same on record.

Thanking you

For **Coffee Day Enterprises Limited**

Company Secretary

Sadananda Poojary
Company Secretary & Compliance Officer
M. No.: F5223

COFFEE DAY

ANNUAL REPORT

2018




COFFEE
DAY
BREWING
HAPPINESS

MESSAGE FROM THE CHAIRMAN



Dear Shareholders,

Towards the close of our third year as a public listed company, I am delighted to share with you our journey on the trajectory of growth during FY18.

What once began as an idea to bring coffee culture into mainstream India at a price that was affordable yet competitive, led to the starting of the first Café Coffee Day way back in 1996. Today in 2018, we are India's largest café chain with close to 2,700 retail coffee points across the country and 47,500+ vending machines across corporate India.

None of this would have been even remotely possible without the support of our valuable customers and other esteemed stakeholders who have reposed their faith in us as we traversed this journey. Thank you once again.

FY2018: AN UPBEAT YEAR IN A NUTSHELL

With our strong brand presence and singular focus on customer delight, the coffee retail business has been promising in spite of intense competition and regulatory changes in the country. Over the last 25 quarters, we have seen consistently positive same store sales growth.

We intend to continue on this growth path unabated, with our strong business fundamentals and brand customer loyalty leading the way.

Thanks to significant steps towards introducing new and exciting meal and snack options in our cafés, we have been able to expand the food menus on offer to our customers. These include an enticing array of eats, along with your favourite beverages throughout the day. Milkshakes as a new category have garnered a very positive response and helped increase our overall sales. Constant food innovation allows us to be seen, perhaps for the first time, as a place not only for conversations over coffee, but also a rendezvous over a quick bite.

The response to our innovative food launches in the wellness range has been encouraging, and in a country that is fast becoming health conscious, we will continue to focus on healthy menu offerings. Overall, at the café level this year, we have employed the two-pronged approach of widening our product portfolio, while also offering value options to our customers.

Over and above our cafés, we continue to rapidly make inroads into the corporate sector. With the addition of over 8,000 coffee vending machines targeting key channels such as auto and jewellery showrooms, our coffee drinker footprint continues to expand.

It merits a mention here that Indus Plus, our new age video-enabled coffee machine with its IoT-enabled interface and intuitive screen, is fast catching people's attention. What is more, the launch of Tetra Pak cow's milk across the country has met with a heartening response for health-conscious customers, while at the same time living up to our high quality standards.

COFFEE INDUSTRY: THE FRAGRANT AROMA OF SUCCESS

On account of café culture becoming popular among the youth in India, the coffee industry is set to grow at a CAGR of over 11% in the next 3 years. The Company reported a Coffee Retail Gross Revenue growth of 12% in FY17-18, and this is only poised to rise.

While still at a nascent stage, the demand for coffee beverages will slowly grow, increasing our caffeine footprint from metro cities to Tier II and Tier III cities across the country. Fueled by the government's plan to develop various 'smart cities' coupled with increasing disposable incomes and a dynamic work-life balance, we at Coffee Day have much to be optimistic about in the near future.

In addition to cafés, the availability of vending machines in corporate spaces has driven up the demand for hot beverages, and this contributes to an increasing demand for tea and coffee among the workforce in India. Your Company controls more than 70% of the vending business in fresh milk coffee in India Inc., and for this, you should only be proud.

With online food delivery platforms evolving with disruptive technologies everyday, we anticipate 10-15% of our café sales from delivery as a new revenue stream – one that will show rapid organic growth in the years to come.

SICAL: MINING FOR NEWER POSSIBILITIES

The supply chain and logistics industry has been a big gainer on the rolling out of GST. With most forward-looking organisations reevaluating their supply chain and logistics strategies, we believe this sector is headed towards significant growth.

The Company reported a robust growth in FY17-18 with 31% increase in revenues. New initiatives around supply chain solutions for FMCG and retail industries, coupled with contract wins in the existing business verticals, contributed to this growth.

A consortium led by our Company (with a 51% equity stake), has been awarded a Mine Development and Operations (MDO) contract by the Damodar Valley Corporation. To be executed over the next 20 years, the cumulative revenue from this operation will yield us over Rs 10,000 crore. Furthermore, SICAL has secured two contracts from subsidiaries of Coal India Limited, with a total contract value of Rs 1,624 crore. These contracts will be executed over the next 4 years and will help us boost our revenue significantly.

We are also proud to inform you that SICAL Iron Ore Terminals Limited, a subsidiary of SICAL Logistics Limited, has received all clearances and financial approvals for the modification of the existing Iron Ore Terminal to handle common user grade coal at the Kamarajar Port, TN. The Company is in the process of executing this project and will start becoming revenue positive in 12-18 months.

TANGLIN & THE BRIGHT PATH AHEAD

Office space absorption is a domain that is expected to grow, owing to robust demand from IT/ITeS companies in key markets such as Bengaluru.

Tanglin offers customised office spaces for various multi-national technology enterprises in Bengaluru and Mangaluru. A steady and sustained demand from technology companies during the year resulted in Tanglin recording a gross revenue of Rs 150 crore in FY18. And it only gets better.

Over the next 8-12 months, an upcoming metro station is expected close to the Global Village property in Bengaluru. This will boost the demand for our location and provide faster connectivity to the city center. Revenues from Tanglin are expected to cross Rs 200 crore in the next 12-15 months.

WAY2WEALTH: THE ROAD TO PROSPERITY

The revenue from our financial services business stood at Rs 574 crore in FY18, an increase of a significant 21% over FY17. These contributions can be attributed to growth in revenues from institutional, treasury and market operations through quantitative techniques and our futuristic approach.

In the year ahead, we expect our financial markets to be range-bound and our businesses dependent on them to maintain the status quo; particularly the equity, derivatives, commodities, debt markets and related businesses that might show slow growth.

However, the present government's policy focus and regulatory clarities are bound to encourage the FDI and FII inflows into the country, thereby assisting the markets to move higher and correspondingly help us leverage our business strengths to our advantage.

MINDTREE MINDS : AN APPETITE FOR TOMORROW

We are thankful to Mindtree Minds for their extraordinary performance and we are confident that they will continue to add to our profitability and performance.

GLOBALEDGE : EARNING FROM LEARNING

During the year, we successfully exited a majority stake of equity held in Global Edge, giving us a very healthy return on our initial investment made in 2001. We are expecting an additional consideration from the remaining stake in Global Edge during FY18-19.

GIVING BACK MORE THAN WE TAKE SINCE 1996

Being a socially and environmentally responsible Company is not just a mandate; it is an ongoing commitment to our society and surroundings. Being the first Indian company to receive the UTZ certification, our shade-grown coffee is consciously cultivated on estates that support a varied flora and fauna endemic to the region.

People are our greatest asset, and we have a deep commitment towards bolstering the fortunes of the communities and talent we work with. We firmly believe that the strategies and values highlighted below will help us stay on course:

Talent Management: Great talent will shape the future of our businesses, each of which is committed to providing a platform and opportunity to help our people bring out their talent and potential at work. Our people initiatives are designed to continually reinvigorate and organise our human capital in order for our work force to step up to changing demands of our businesses while accelerating personal growth.

Technology: In these times of a rapidly digitising business environment, we continue to develop nuanced strategies that enable us to remain in touch with our customer base. As technological trends evolve, we intend to stay on course by recognising and reacting to our customers' needs without delay. Our emphasis on keeping up with these trends will ensure that Coffee Day continues to hold a place in people's hearts as one of the most loved and future-positive café chains in the country.

Quest for Excellence: Our motto is to constantly challenge ourselves to explore newer, better and quicker ways of doing things. Looking at everything with a sense of curiosity while never settling for anything but the best is the way we attain excellence. Never hesitating to question the norm, we are always looking for new ideas and innovations that help us to transform businesses and power us to serve our customers better.

COFFEE DAY GROUP: A FUTURE REIMAGINED

At the group level, we are excited about the possibilities that lie ahead of us. As India is poised towards accelerating GDP growth, we believe we are entering an exciting phase of possibilities; who knows, but this could be the start of India's upswing boom, much akin to what the last 20 years have been for China.

We have tremendous conviction in our abilities to pursue the growth trajectory we have charted for ourselves, and significantly benefit from being part of this vibrant economy. With cites growing at a rapid pace and rural populations migrating to towns, our businesses are poised to soar rapidly. Our objective remains to continue growing at a double-digit rate while maintaining the financial strength of our Company.

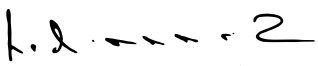
We are pleased to have you as our shareholders, and I take this opportunity to thank you for your continued trust and support on this journey. We are deeply passionate about building a great company; a passion that is reflected in every cup of coffee we serve.

We would also like to thank the Board, management, employees and all other stakeholders for their significant contribution over the years for making us one of India's biggest and most iconic brands.

Finally, as always, I would like to reiterate our commitment towards delivering consistent results and enhancing shareholder value.

After all, who would have guessed that so much can indeed happen over coffee!

Warm reards,



V.G. Siddhartha
Chairman and Managing Director


CAFÉ



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01

BUSINESS OVERVIEW

ABOUT US

In 1996, we opened the first Café Coffee Day outlet on Brigade Road in Bengaluru with a brand new vision – one of connecting people over a beverage. Coffee and hangout spaces in India would never again be the same.

As the parent company of the Coffee Day Group, we are proud to have been the pioneers of café culture in this country. Coffee processed by us is also exported to various parts of the world spanning Europe, the Middle East and Japan, giving us the enviable position of being among the top coffee exporters in the country.

Today, our subsidiary Coffee Day Global Limited has established the largest footprint of café outlets in India – spread over 245 cities. Our forays into diverse businesses are marked by the same passion with which we started Coffee Day Global Limited. Our portfolio includes Technology Parks & SEZs, Logistics, Investments, Financial Services and Hospitality.

VISION

Showing the world where coffee can take us.
OUR CULTURE IS WHAT WILL DETERMINE WHERE WE TAKE COFFEE.
We are right where coffee is. From nurturing each plant, to coaxing the perfect flavour, blend and brew into each cup we serve in our cafés, we are also where coffee is going next.

MISSION

To find and extract the boundless potential in all that we do—just as we have for every cup of coffee.

Subsidiaries:

COFFEE DAY GLOBAL

We are engaged in our coffee business through our subsidiary, Coffee Day Global Limited (earlier known as Amalgamated Bean Coffee Trading Company Limited) ("CDGL") and its subsidiaries. In addition to having the largest chain of cafés in India, we operate a highly optimised and vertically integrated coffee business which ranges from procuring, processing and roasting of coffee beans, to retailing of coffee products.

SICAL

Founded in 1955 and with revenues in excess of Rs 1350 crore, SICAL Logistics Ltd is India's leading integrated logistic solutions provider with over 6 decades of experience in providing end-to-end solutions in logistics. Coffee Day Group acquired SICAL in 2011.

Traditionally known for its stevedoring, customs handling, trucking and steamer agency businesses, SICAL today is poised for growth, having invested significantly in logistics-related infrastructure. It has also expanded into various business areas such as mining, retail supply chain solutions, port logistics, road & rail transport, container freight station, warehousing and shipping.

WAY2WEALTH

Way2Wealth is an Investments Consultancy Firm providing complete wealth management and investing solutions. Offering a range of products and services spanning equities, derivates and mutual funds among others, Way2Wealth aims to help customers make well-considered investment decisions. We service our customer relationships through a team of over 1,000 wealth managers spread across 570 easily accessible Investment Outlets in almost all major towns and cities in India.

TANGLIN

Founded in 1995 as the developer of technology parks and SEZs for the Coffee Day Company, Tanglin Developments offers bespoke infrastructural facilities for Technology enterprises. TDL has two technology parks, 'Global Village' and 'Tech Bay', situated in Bengaluru and Mangaluru respectively.

THE SERAI

We own and operate three luxury boutique resorts (one directly through our Company, and two through our wholly-owned subsidiary, Coffee Day Hotels & Resorts Private Limited ("CDHRPL"), under the brand 'The Serai'. Our resorts are located in the State of Karnataka at Chikmagalur, Bandipur and Kabini. Additionally, we also hold a minority interest in and manage a luxury resort located in the Andaman and Nicobar Islands.

BOARD OF DIRECTORS



Mr. V. G. Siddhartha
Chairman and Managing Director



Mr. S.V. Ranganath
Independent Director



Mr. M. D. Mallya
Independent Director



Dr. Albert Hieronimus
Independent Director



Mr. Sanjay Omprakash Nayar
Non-Executive, Nominee Director



Mrs. Malavika Hegde
Non-Executive, Non-Independent Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. V. G. Siddhartha
Chairman and Managing Director

Mr. S.V. Ranganath
Independent Director

Mr. M. D. Mallya
Independent Director

Dr. Albert Hieronimus
Independent Director

Mr. Sanjay Omprakash Nayar
Non-Executive, Nominee Director

Mrs. Malavika Hegde
Non-Executive,
Non-Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER
Mr. Sadananda Poojary

CHIEF FINANCIAL OFFICER
Mr.R. Ram Mohan

REGISTERED OFFICE
23/2, Coffee Day Square, Vittal Mallya Road, Bengaluru-560001

BANKERS
Corporation Bank
Axis Bank Limited
Karnataka Bank Limited
State Bank of India

STATUTORY AUDITORS
B S R & Co LLP
Chartered Accountants
Maruti Infotech Centre
11-12/1, Inner Ring Road
Koramangala, Bengaluru 560071

SECRETARIAL AUDITOR
HRB & Co. Secretaries
No.25 2nd floor, JP Arcade
8th Main Road, Binny Layout
Vijayanagar, Bengaluru 560040

INTERNAL AUDITOR
ABS & Co. Chartered Accountants
No.80/1, 11th Main
Malleshwaram
Bengaluru 560003

REGISTRAR AND SHARE TRANSFER AGENTS
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
L. B. S. Marg, Bhandup (West)
Mumbai 400078
Tel: +91 22 6171 5400

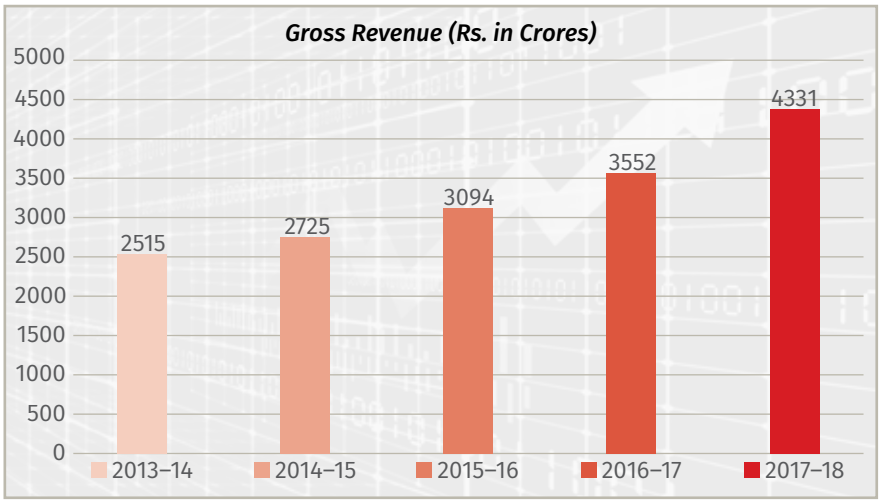
COMPOSITION OF COMMITTEES

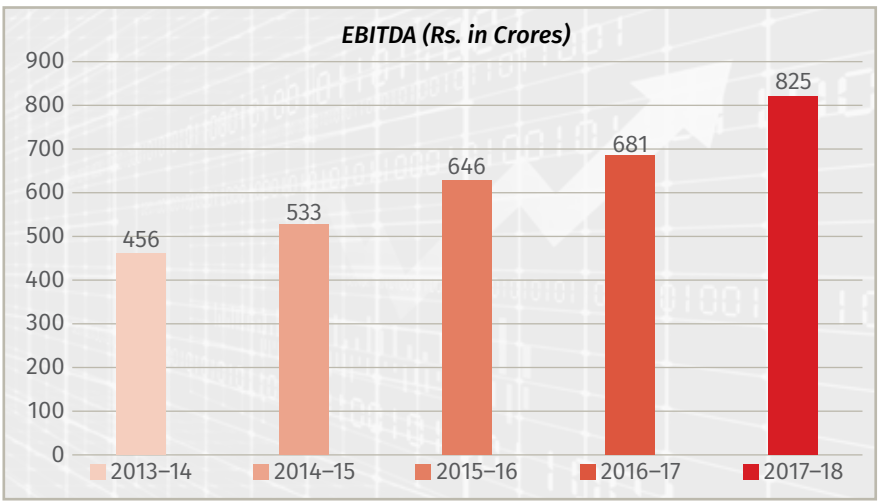
Name of Committee	Name of Committee Members	Category
1. Audit Committee	1. Mr. S. V. Ranganath 2. Dr. Albert Hieronimus 3. Mr. V. G. Siddhartha	Chairperson-Independent Member-Independent Member-Executive
2. Nomination & Remuneration Committee	1. Mr. S. V. Ranganath 2. Dr. Albert Hieronimus 3. Mrs. Malavika Hegde	Chairperson-Independent Member-Independent Member-Non-Executive
3. Stakeholders Relationship Committee	1. Mrs. Malavika Hegde 2. Mr. V.G. Siddhartha 3. Mr. S.V. Ranganath	Chairperson- Non-Executive Member-Executive Member-Independent
4. Corporate Social Responsibility Committee	1. Mr. S.V. Ranganath 2. Mr. V.G. Siddhartha 3. Mrs. Malavika Hegde	Chairperson- independent Member-Executive Member-Non-Executive
5. Risk Management Committee	1. Mr. V.G. Siddhartha 2. Mrs. Malavika Hegde	Chairperson-Executive Member- Non-Executive
6. Administration Committee	1. Mr. V.G. Siddhartha 2. Mrs.Malavika Hegde	Chairperson-Executive Member- Non-Executive

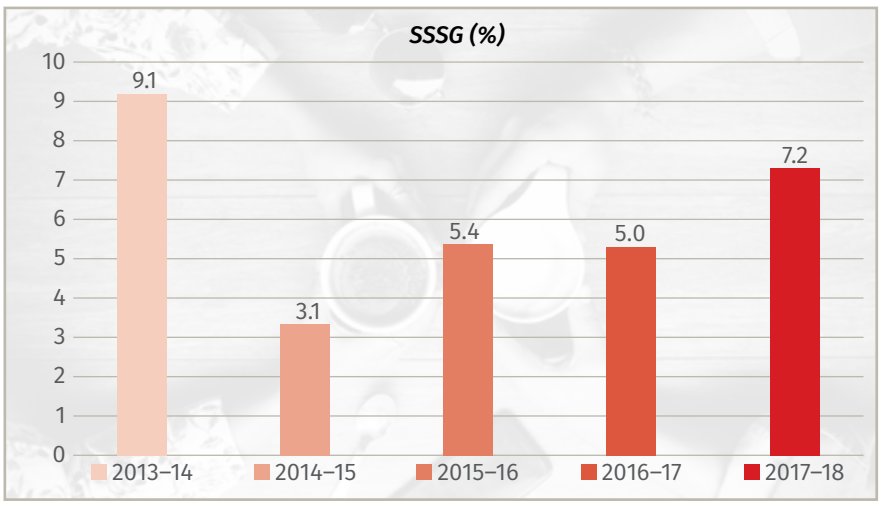
OUR FINANCIAL HIGHLIGHTS

KEY PERFORMANCE INDICATORS









WHERE OTHERS SEE A BEVERAGE, WE SEE A WORLD OF POSSIBILITIES.

THE COFFEE DAY STORY

What started as a vision to pioneer café culture in a fast-changing India post economic liberalisation, soon snowballed into us becoming the largest café chain in the country. Today, we have established the largest footprint of café outlets in India – spread across over 200 cities. Since our first year as a public listed company in 2015, we have continued to strengthen brand loyalty by focusing on customer delight, product innovation and value for both customer as well as shareholders.

SPREADING THE JOY OF COFFEE

We continue to strategically locate our café outlets at multiple consumption points such as high streets, malls, petrol stations, highways and other high traffic areas such as transportation hubs, airports, hospitals, offices, educational institutions and tourist attractions – all with a focus on reaching a wider customer base.

THE STRONG ADVANTAGE IN OUR NON-COFFEE BUSINESSES

We believe that our strategic and wide coverage across the country places us in a unique position to capitalise on and gain insights into current trends and consumer preferences.

This helps us tap into the potential of diverse businesses like technology, finance, hospitality and logistics. Further, with the direction of our visionary promoter V.G. Siddhartha and his experienced management team, our non-coffee businesses continue to contribute effectively towards the overall health of the Company.

WE ARE INDIA'S LARGEST CAFÉ CHAIN WITH

1,722	Cafés
47,747	Vending Machines
532	Xpress kiosks
403	Fresh & Ground outlets



THE PORTFOLIO

Led by our flagship brand Café Coffee Day, we follow a multi-format retail strategy that captures the entire coffee consumption basket with various specialised divisions.

OVER 2.0 BILLION CUPS OF BEVERAGES PER YEAR

CAFÉ COFFEE DAY OUTLETS

Targeted at the discerning though value-conscious youth, we have grown to over 1,700 cafes, located in 245 cities all over India. From signature coffees like the Iced Eskimo and the Devil's Own to delicious sandwiches, burgers and sundaes, we have a vast portfolio that appeals to diverse palates.

THE SQUARE

Aimed at the well-travelled coffee aficionado, this premium café offers exclusive single-origin coffees from around the world that are crafted by our master brewers who have curated the best of blends from Latin America, Africa and India. It also offers a variety of food that perfectly complements the range of coffee.

CAFÉ COFFEE DAY VALUE XPRESS

Launched in 2003, this is our on-the-go food and beverage kiosk. Over the years, we have grown to 532 kiosks across 24 cities in India. We are also focused on selectively expanding the CCD Value Xpress kiosks across high-demand locations like corporates, institutions and hospitals.

COFFEE DAY FRESH & GROUND

This division serves fresh beans and powder to customers from over 400 F&G outlets across 7 states in India. We have also introduced a specialised coffee machine called 'Kaapiguru' for our F&G business, which is used by a large number of restaurants and eateries.

COFFEE DAY BEVERAGES

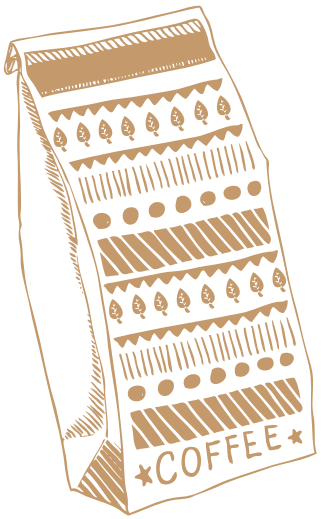
This is the largest vending machine chain for fresh milk and roasted coffee beans with over 47,500 machines in India currently. We have entered into a joint venture agreement with WMF, and will be leveraging this in the months to come.

COFFEE DAY EXPORTS

Coffee Day is one of India's leading coffee exporters with clients across Europe, the Middle East, South East Asia and North America. We have entered long and short-term contracts to export coffee beans at prevailing market rates set on international coffee exchanges.

INTERNATIONAL CAFÉS

Our first international café opened in Vienna in the year 2005. Today, we have 18 outlets in places like Austria, the Czech Republic, Egypt, Malaysia and Nepal, helping us take the fine taste of Indian coffee to the world.



TECHNOLOGY PARKS:

Our wholly-owned subsidiary, Tanglin Developments Limited, is engaged in the business of developing technology parks in Bengaluru and Mangaluru. This year Tanglin has moved to the occupancy of 3.46 million sqft from 3.20 million sqft at the same time last year.



TANGLIN

A COFFEE DAY COMPANY




SAFETY FIRST



LOGISTICS

Our subsidiary SICAL Logistics Ltd was founded in the year 1955. It is India's leading provider of integrated logistics solutions with over 6 decades of experience. With deep knowhow in handling bulk commodities over the decades, SICAL has entered the mining space and currently offers mining and cargo handling solutions. It has also entered the Retail Supply Chain space by offering warehousing facilities along with last mile distribution and cold chain services.

SICAL

A COFFEE DAY COMPANY

FINANCIAL SERVICES

Our investment advisory company, Way2Wealth, offers a wide range of financial products, advice and services under one roof, with a pan-India branch network. We currently cater to an array of retail, institutional and corporate clients.

WAY2WEALTH
A COFFEE DAY COMPANY




WAY WEALTH



02

MANAGEMENT & GOVERNANCE


CAFÉ
COFFEE
Day

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their 10th Annual Report on business and operations along with the Audited financial statements and the Auditor's report of the Company for the financial year ended 31 March, 2018.

Financial Highlights:

Amount in Rs Million

Particulars	Coffee Day Enterprises Limited (Consolidated)	Coffee Day Enterprises Limited (Consolidated)	Coffee Day Global Limited (Consolidated)	Coffee Day Global Limited (Consolidated)
	FY 18	FY 17	FY 18	FY 17
Gross Operational Revenue	43,305	35,519	20,161	17,728
Finance charges	3,491	3,172	683	479
Depreciation	2,604	2,268	1,743	1,633
Profit Before Tax	2,251	1371	647	498
Income Tax	768	555	276	230
Profit attributable to the owners	1,063	470	370	264

PERFORMANCE OVERVIEW

During the fiscal year ended 31 March 2018, consolidated gross revenue grew by 22% driven by strong impetus from Coffee, Financial Services & Multimodal Logistics. The retail gross revenue in coffee business contributed a growth of 12%. Consolidated Profit after tax and exceptional is Rs 1063 Million (Includes Rs 388 Million on account of sale of Global Edge Software Limited) for the year 2018 compared to Profit of Rs 470 Million for the previous year.

A detailed performance analysis is provided in the Management Discussion and Analysis segment which is annexed to this report.

STATE OF THE COMPANY'S AFFAIRS

The state of the Company affairs forms an integral part of Management Discussion & Analysis Report.

DIVIDEND

The Board of Directors of the Company does not recommend any dividend for the financial year 2017-18.

TRANSFER TO RESERVES:

In accordance to the provisions of Section 134(3)(j) of the Companies Act, 2013, (hereinafter "the Act") the Company has not proposed any amount to transfer to the General reserves of the Company for the financial year 2017-18.

CHANGES IN SHARE CAPITAL:

During the year under review, the paid-up equity share capital of the Company increased from Rs. 2,06,00,17,190/- to Rs. 2,11,25,17,190/- pursuant to the Scheme of Amalgamation filed under Section 230 to 232 of the Act, whereby the Company has allotted 52,50,000 equity shares to the shareholders of Coffee Day Overseas Private Limited by virtue of final order dated 31 August 2017 passed by National Company Law Tribunal (NCLT).

With reference to the above, the said number of equity shares has been admitted for listing and trading purpose on both National Stock Exchange and Bombay Stock Exchange effective from 28 December 2017 and 29 December 2017 respectively.

MERGER U/S 233 OF THE ACT W.R.T. 'MATERIAL SUBSIDIARY' OF THE COMPANY:

In line with the provisions of Section 233 of the Act and Rule 25(5) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Regional Director (RD) of Hyderabad had issued the order dated 30 January 2018 and approved the merger of Coffee Day Global Limited ('Material Subsidiary') and its subsidiary Companies, namely Amalgamated Holdings Limited, Coffee Day Properties (India) Private Limited and Ganga Coffee Curing Works Limited.

DEPOSITS:

The Company has not accepted any Deposits under Section 73 and Chapter V of the Act and the rules made thereunder.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of the loans, guarantees and investments are provided in the notes to the audited financial statements annexed with the Annual Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on 31st March 2018, the Company has 45 subsidiaries (including indirect subsidiaries), 3 Associate Companies and 3 Joint Ventures. The details of the Companies which have become or ceased to be the Company's Subsidiaries, Associate Companies or Joint Ventures are mentioned in **"Form AOC-1"**, which is attached as an **"Annexure to the Consolidated Financial Statements."** A statement containing the salient features of the financial statements of Subsidiaries, Associate Companies or Joint Ventures are mentioned specifically in the same annexure as mentioned above. In accordance with Section 136(1) of the Act, the financial statements of the subsidiary companies are available on the Company's official website post approval of the members.

In line with Regulation 24 and Regulation 46(2)(h) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter "the Listing Regulations") the Company has formulated a detailed policy for determining 'material' subsidiaries and the said policy is available on the Company's official website and may be accessed at the link: http://www.coffeeday.com/PDF/MATERIAL-SUBSIDIARIES.pdf

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

As stated in Regulation 34(2)(e) of the Listing Regulations, the Annual report shall contain a detailed report on Management Discussion & Analysis, which is hereto attached with the Annual report in *"Annexure-1."*

CORPORATE GOVERNANCE:

The report on Corporate Governance along with a Certificate from the Practicing Company Secretary regarding proper compliance of Corporate Governance pursuant to the requirements of Schedule V of the Listing Regulations forms an integral part of the Annual Report stated in *"Annexure-2."*

DIVIDEND DISTRIBUTION POLICY:

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, the Board of the Company has adopted Dividend Distribution policy in their meeting held on 18th May 2017, which aims at marking the right balance between the quantum of dividend paid to its shareholders and the amount of profit retained for its commercial requirements. The said policy is annexed with this Report as *"Annexure-3."*

BOARD DIVERSITY:

The Company recognises and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge and industry experience that will help us retain our competitive strength. The Company has evaluated the policy with a purpose to ensure adequate diversity in its Board of Directors, which enables them to function efficiently and foster differentiated thought processes at the back of varied industrial and management expertise. The Board recognises the importance of a diverse composition and has therefore adopted a Board Diversity Policy. The policy is made available on the Company's official website via link http://www.coffeeday.com/PDF/BOARD%20DIVERSITY%20POLICY.pdf

BOARD EVALUATION AND POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

In accordance with Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee has specified the criteria and manner for effective evaluation of performance of the 'Board', its 'Committees' and 'Individual Directors' carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency, and reviewed its implementation and compliance.

The detailed policy in compliance with Section 178(3) of the Act read along with Regulation 19 of the Listing Regulations has been approved by the Board of Directors of the Company and is made accessible on the Company's official website at the following link http://www.coffeeday.com/PDF/NOMINATION%20&%20REMUNERATION%20POLICY.pdf.

APPOINTMENT/ RESIGNATION/ RE-APPOINTMENT OF BOARD OF DIRECTORS

There has been no change in the Composition of the Board this year.Mr. Sanjay Omprakash Nayar shall retire by rotation at the ensuing Annual General meeting and is eligible for re-appointment

DIRECTOR'S RESPONSIBILITY STATEMENT

In Compliance with section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirms the following::

(a). In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

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

(c). The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d). The Directors have prepared the annual accounts on a going concern basis; and

(e). The Company is responsible for establishing and maintaining adequate and effective internal financial controls with regard to its business operations and in the preparation and presentation of the financial statements, in particular, the assertions on the internal financial controls in accordance with broader criteria established by the Company.

Towards the above objective, the directors have laid down the internal controls based on the internal controls framework established by the Company, which in all material respects were operating effectively as on 31st March 2018.

(f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate. The Company has substantially complied with material provisions of such acts and regulations as are relevant for its operations. No material or significant non compliances were reported or identified during the year.

DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors have given their declarations stating that they meet the criteria of independence as laid down under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. 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.

COMMITTEES OF THE BOARD:

The Company has four main Committees of the Board i.e.:

(a). Audit Committee

(b). Nomination and Remuneration Committee

(c). Stakeholder's Relationship Committee and

(d). Corporate Social Responsibility Committee.

The detailed information on each of these committees including its composition, functioning and number of meetings is disclosed in the Corporate Governance report annexed with the Annual Report of the Company.

AUDIT COMMITTEE:

The Board has constituted an Audit Committee comprising of Mr. S.V. Ranganath as Chairman, Dr. Albert Hieronimus and Mr. V.G. Siddhartha 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 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.

MEETINGS OF THE BOARD:

During the financial year 2017-18, the meetings of the Board of Directors were held Five (5) times. Details of

these meetings and other Committee/General meetings are given in the report on Corporate Governance Report attached with the Annual report.

PARTICULARS OF CONTRACTS/ ARRANGEMENTS WITH RELATED PARTIES:

All Related Party Transactions that were entered into during the FY 2017-18 were on an arm's length basis and in the ordinary course of business. 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. Prior omnibus approval from the Audit Committee is obtained for transactions which are repetitive in nature. Further, disclosures are made to the Committee on a quarterly basis. None of the transactions entered into with related parties falls under the scope of Section 188(1) of the Act and hence there is no such requirement to enclose 'Form AOC-2' pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014.

The Company has adopted a Policy for dealing with Related Party Transactions and is made available on the Company's official website via web link http://www.coffeeday.com/PDF/RPT%20POLICY.pdf

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE 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 has occurred from the end of the financial year of the Company to which the financial statements relate and the date of this Report.

CHANGE IN NATURE OF BUSINESS:

There has been no change in the nature of business of the Company.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

The information on conservation on energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is provided in "Annexure-4" to this Annual report.

AUDITORS:

a) Statutory Auditors:

As per the provisions of the Act, the period of office of M/s B.S.R & Co. LLP, Chartered Accountants (ICAI FRN: 101248W/W-100022), Statutory Auditors of the Company, expires at the conclusion of the ensuing Annual General Meeting.It is proposed to appoint B.S.R. & Associates. LLP Chartered Accountants (ICAI FRN: 116231W/W-100024), for a term of 5 (five) consecutive years and have confirmed their eligibility and qualification required under the Act for holding the office, as Statutory Auditors of the Company.

b) Secretarial Auditor:

In accordance with Section 204 of the Act and the rules made there under, the Company has appointed M/s HRB & Co. to undertake the Secretarial Audit of the Company for the financial year ended 31st March 2018. The Secretarial Audit report issued in this regard is attached as "Annexure-5".

c) Cost Auditor:

In terms of the provisions of Section 148 of the Act, the appointment of the Cost Auditors does not apply to the Company.

d) Internal Auditor:

Pursuant to the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014, the Company has appointed M/s A B S & Co., Chartered Accountants as Internal Auditors of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS/REGULATORS:

a) National Company Law Tribunal (NCLT)

Pursuant to the Scheme of Amalgamation filed under Section 230 to 232 of the Act, the National Company Law Tribunal has passed the final order dated 31st August 2017 and the Company has allotted 52,50,000 Equity shares to the Shareholders of Coffee Day Overseas Private Limited.

b) Regional Director, Hyderabad w.r.t. its Material Subsidiary, Coffee Day Global Limited:

In line with the provisions of Section 233 of the Act and Rule 25(5) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Regional Director (RD) of Hyderabad had issued the order dated 30th January 2018, and approved the merger of Coffee Day Global Limited ('Material Subsidiary') and its subsidiary Companies, namely Amalgamated Holdings Limited, Coffee Day Properties (India) Private Limited and Ganga Coffee Curing Works Limited.

EXTRACT OF ANNUAL RETURN:

An extract of the Annual return has been annexed to the Board's Report in compliance with Section 92 of the Companies Act, 2013 read with applicable rules made thereunder annexed as "Annexure-6" to this Report.

BUSINESS RESPONSIBILITY REPORT:

In compliance with the Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report forms a part of this Annual Report as "Annexure-7".

SECRETARIAL STANDARDS:

The Company complies with all Secretarial Standards issued by Institute of Company Secretaries of India.

INTERNAL FINANCIAL CONTROL (IFC) AND ITS ADEQUACY:

The internal controls of the Company operate through well documented standard policies and guidelines. The Company has adequate internal financial control procedures commensurate with its size and nature of business, which helps in ensuring orderly and efficient conduct of its business. This system provides a reasonable assurance of financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records, and ensuring compliance with corporate policies.

All the significant internal audit observations and management actions thereon are reported to the Audit Committee on a quarterly basis. The Audit Committee reviews the operations and assesses the adequacy of the actions proposed, and also monitors their implementation. The internal auditors conduct a quarterly follow-up for implementation of all audit recommendations and the status report is presented to the Audit Committee regularly.

The Company's management has assessed the effectiveness of the internal control over financial reporting for the year ended 31st March 2018 and based on the assessment, believe that the system is working effectively. The Statutory Auditors have issued a report on the adequacy and effectiveness of the internal control systems over financial reporting.

WHISTLEBLOWER POLICY/VIGIL MECHANISM:

As per the requirements laid down under Section 177 of the Act and Regulation 22 of the Listing Regulations, the Company has established the Whistleblower Policy which encourages Directors and employees to bring to the Company's attention, instances of unethical behaviour, actual or suspected incidents of fraud or violation of the Company's Code of Conduct that could adversely impact on Company's operations and business. The Policy provides that the Company investigates such incidents, when reported in an impartial manner and takes appropriate action to ensure that requisite standards of professional and ethical conduct are always upheld. The practice of the Whistleblower Policy is overseen by the Audit Committee and no employee has been denied access to the Committee. The Whistle Blower Policy is available on the Company's official website and may be accessed through the web link: http://www.coffeeday.com/PDF/CDEL-Whistle-Blower-Policy.pdf

PARTICULARS OF EMPLOYEES:

As stated in provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules which includes the name of top 10 employees in terms of remuneration, forms part of this annual report. Pursuant to the provisions of Section 136(1) of the Act, the Board report is being sent to the shareholders including the said statement.

Disclosure pertaining to the remuneration as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in "Annexure-8".

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and on the recommendations of the CSR Committee comprising of Mr. S.V. Ranganath as the Chairman and Mr. V.G. Siddhartha and Mrs. Malavika Hegde as Members, the CSR policy is adopted and approved by the Board of the Company. The said policy has been hosted on the Company's website and is available on the link: http://www.coffeeday.com/PDF/CSR-Policy-CDEL.pdf. It lays down the purpose of formulation of the policy, areas of focus, composition of the Committee, responsibilities of the Board of Directors, and CSR budget. It also contains the CSR activities which can be carried out by the Company, governance structure and through implementation process.

GREEN INITIATIVES:

In commitment to keeping in line with the Green Initiative and going beyond to it, an electronic copy of the Notice of the 10th Annual General Meeting of the Company is sent to all Members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copies are sent through the permitted mode.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE:

The Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Policy aims to promote a healthy work environment and to provide protection to employees at the workplace and redress complaints of sexual harassment and related matters thereto. The Company has also constituted an Internal Complaints Committee,

known as the Prevention of Sexual Harassment (POSH) Committee, to enquire into complaints of sexual harassment and recommend appropriate action.

During the financial year 2017-18, the Company has not received any complaints on sexual harassment.

BOARD'S RESPONSE ON AUDITORS QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE:

For the financial year 2017-18, there are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report or by the Practicing Company Secretary in the Secretarial Audit report of the Company.

RISK MANAGEMENT AND ASSESSMENT:

The Company is exposed to various risks considering the diversified parameters according to the different business sectors of the Company such as coffee business, technology park business, logistics business, financial services business and resort business. The Audit Committee oversights 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 incorporated sustainability in the process, which helps the Board to align potential exposures with the risk appetite and highlight risks associated with chosen strategies.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12):

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

STATUTORY DISCLOSURES:

None of the Directors of your Company are disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under various provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

GENERAL DISCLOSURES:

a) Buy back of securities

In accordance with Section 68 of the Act, the Company has not bought back any of its securities during the year.

b) Sweat Equity:

The Company has not issued any Sweat Equity Shares under the provisions of Section 54 of the Act.

c) Bonus Shares:

In terms of Section 63 of the Act, the Company has not issued Bonus Shares during the year under review.

d) Employee Stock Option Plan:

Pursuant to the provisions of Section 62 of the Act, the Company has not provided any Stock Options to the Employees of the Company.

ACKNOWLEDGEMENT:

The Directors would like to express their gratitude towards the Company's employees, customers, banks and institutions, investors and academic partners for their continuous support. They also thank the concerned government departments and agencies for their co-operation. The Directors appreciate and value the contribution made by every member of the 'Coffee Day' family.

Place: Bangalore
Date: 09th August, 2018

For Coffee Day Enterprises Limited

Sd/-	Sd/-
V. G. Siddhartha	Malavika Hegde
Chairman & Managing Director	Director
DIN: 00063987	DIN: 00136524

Annexure-1

MANAGEMENT DISCUSSION & ANALYSIS REPORT

GLOBAL ECONOMIC OVERVIEW

The global upswing in economic activity is strengthening, with global growth projected to be 3.7 percent in 2018. Broad-based upward revisions in the Euro area, Japan, emerging Asia, emerging Europe, and Russia more than offset downward revisions for the United States and the United Kingdom. But the recovery is not complete; while the baseline outlook is strengthening, growth remains weak in many countries, and inflation is below target in most advanced economies. Commodity exporters, especially of fuel, are particularly hard hit as their adjustment to a sharp stepdown in foreign earnings continues. And while short-term risks are broadly balanced, medium-term risks are still tilted to the downside. For policymakers, the welcome cyclical pickup in global activity provides an ideal window of opportunity to tackle key challenges—namely to boost potential output while ensuring its benefits are broadly shared, and to build resilience against downside risks. *Source: IMF*

INDIAN ECONOMIC OVERVIEW

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

Economic growth is projected to strengthen to above 7%. In the long run, the GST will boost corporate investment, productivity and growth by creating a single market and reducing the cost of capital equipment. Investment will be further supported by the plan to recapitalise public banks and by the new road plan.

Recent measures to digitise the economy and improve tax compliance should boost tax revenue in the medium term. They are accompanied by an increase in public pensions and wages, as well as debt write-offs in some states, resulting in a broadly neutral fiscal stance over the projection period. Given the high public debt-to-GDP ratio, increasing social infrastructure such as health and education, will require raising more property and income tax revenue. With inflation expectations adjusting down, there could be room for further cuts in interest rates if inflation durably remains below 4%.

Non-performing loans have increased, largely reflecting recognition efforts, and are particularly high in public banks. Steps have been taken to clean up banks' balance sheets, giving creditors more control over the stressed entities. A new bankruptcy law is also being implemented. The large recapitalisation plan for public banks should be accompanied by governance reform. External debt remains low and foreign exchange reserves have increased, reducing vulnerabilities. *Source: IMF*

COMPANY'S FINANCIAL OVERVIEW

Profit and Loss Account Analysis

Gross revenues

Gross revenues increased by 22% to Rs.43,305 million in 2017-18, compared with Rs.35,519 million reported in 2016-17.

Operating profit

Operating profit (EBITDA) increased by 21% to Rs.8,253 million during 2017-18 from Rs.6,812 million in 2016-17, including an exceptional gain of Rs. 532 Million on account of sale of equity stake in Global Edge Software Limited largely because of better financial performance of café business and integrated multimodal logistics business.

Depreciation

Depreciation for the year under review stood at Rs.2,604 million, compared with Rs. 2,268 million recorded in the previous year, up 15% on a y-o-y basis.

Finance costs

Finance cost for the year under review *increased* by 10% from Rs. 3,172 million to Rs. 3,491 million because of increase in the gross debt.

Net profit

Consolidated net profit attributable to the owners for the

year under review stood at Rs. 1063 Million over Rs. 470 Million in the previous financial year which includes exceptional gain of Rs. 388 Million on account of sale of equity stake in Global Edge Software Limited.

Balance Sheet Analysis

Net worth

The Company's net worth stood at Rs. 30,155 million as on 31st March, 2018, increasing by 6%, compared with Rs. 28,483 million as on 31st March, 2017. The net worth comprised paid-up equity share capital amounting to Rs. 2,113 million as on March 31, 2018 (211,251,719 equity shares of Rs. 10 each fully paid up) and Non-controlling interests of Rs. 6,379 million. The Company's other equity stood at Rs. 21,663 million as at 31st March 2018.

Loan profile

The total loan funds stood at Rs. 50,499 million while long-term borrowings stood at Rs. 42,390 million. The Company's net debt as on 31st March, 2018 stood at Rs. 33,238 million.

Liabilities

Non-current liabilities (excluding borrowings) stood at Rs. 2,106 million, comprising of other financial liabilities Rs. 1,327 million, deferred tax liabilities Rs. 361 million, other non-current liabilities Rs. 254 million and provisions amounting to Rs. 164 million.

Current liabilities (excluding borrowings of Rs. 8,109 million and current maturities of long-term borrowings amounting to Rs. 10,464 million) stood at Rs. 6,000 million, comprising of other financial liabilities (excluding current maturities of long-term borrowings) of Rs. 3,343 million, trade payables of Rs. 1,325 million, other current liabilities Rs. 885 million, current tax liabilities Rs. 411 million and provisions amounting to Rs. 36 million.

Total assets

The Company's total assets increased to Rs. 88,759 million in 2017-18 from Rs. 80,252 million in 2016-17, representing an increase of 11%. Capital work-in-progress (WIP) and investment property under development for the year increased by 11% to Rs.12,623 million in 2017-18, compared with Rs. 11,363 million in 2016-17 on account of ongoing construction in our subsidiary engaged in the business of leasing of commercial office space and further additions by integrated multimodal logistics business.

Investments

The Company's investments (current and non-current) including equity accounted investees during the year under review increased to Rs. 7,161 million from Rs. 6,641 million in the previous year, an increase of 8% over the previous year.

Current and Non-current assets

Inventories decreased by 28% to Rs.956 million during the year under review from Rs.1,325 million. Inventories comprise of raw material inventory of Rs.631 million, stores and spares worth Rs. 136 million, finished goods inventory of Rs. 139 million and WIP inventory of Rs. 49 million.

Trade receivables of the Company stood at Rs. 4,798 million in FY18, an increase of 17% over the previous year.

The Company had on its books cash and bank balances including deposits worth Rs. 17,261 million as on 31st March, 2018 as compared to Rs. 14,766 million in 31st March, 2017.

Loans and other assets amounted to Rs. 12,750 million, comprising 14% of the Company's total assets. Current loans and other assets for the year stood at Rs. 3,699 million (decrease of 2% from the last year).

Tax assets increased by 6% to Rs. 1,245 million during the year under review from Rs. 1,174 million, comprising of deferred tax assets, (net) Rs. 776 million and current tax assets, (net) Rs. 469 million.

Other financial assets stood at Rs. 1,463 million as compared to Rs. 1,250 million in the previous year.

Operational overview

Coffee Day Enterprises is present across the following sectors: Coffee, logistics, financial services, leasing, commercial space and hospitality. However, 50% of the consolidated Gross revenue of the Company was contributed by the coffee business during the year under review, followed by 31% from the logistics business and 13% from financial services.

COFFEE BUSINESS

Gross Revenue from the Company's consolidated coffee business stood at Rs.21,607 million in 2017-18, contributing 50% to the consolidated topline, representing an increase of 18% over 2016-17. The substantial increase in revenues can be attributed to setting up of new café outlets and deployment of new vending machine. Revenue from the retail division increased by 12 % from Rs.14,234 million in 2016-17 to Rs.15,907 million over 2017-18. Consolidated net profit of coffee day global ltd increased by 40 % from Rs.264 million in 2016-17 to Rs.370 million in 2017-18.

Coffee Day Global Limited's flagship café chain brand Café Coffee Day (CCD) owns 1722 cafes in 245 cities and 532 CCD Value Express kiosks. The coffee beans and powder are marketed through 403 Fresh and Ground Coffee retail stores. There are 47,747 vending machines that dispense coffee in corporate workplaces and hotels under the brand. The division serves more than 2 billion cups of coffee per annum. Internationally, CCDs are present in Vienna, Czech Republic, Malaysia Nepal and Egypt.

	2013-14	2014-15	2015-16	2016-17	2017-18
No. of cafes	1568	1518	1,607	1,682	1,722
No. of cities of presence	211	215	231	241	245
No. of CCD Value Express kiosks	945	579	579	537	532
No. of vending machines	25,561	29,760	35,441	41,845	47,747

HIGHLIGHTS, 2016-17

Retail Gross Revenue at ₹15,907 Million; up 12% YoY

Retail EBIDTA at ₹ 2,906 million; up 14%

Net Profit after Tax at ₹370 million: up 40% YoY

Outlook

According to TechSci Research report, "India Coffee Shops/Cafés Market Forecast, Consumer Survey and Opportunities, 2021", coffee shops / cafés market in India is projected to grow at a CAGR of over 11% during 2017-2021, on account of the growing coffee culture among young population, increasing urbanisation, rising disposable income levels and changing eating and drinking preferences of consumers. Changing work patterns of business executives is also driving the demand for such coffee shops/cafés, as these outlets offer services such as free Wi-Fi, entertainment zones, etc.

"In India, coffee shops/cafés market is in the developing stage, with the majority of demand for coffee beverages emanating from urban centres such as New Delhi, Mumbai, Bengaluru, Chennai, Hyderabad and Kolkata. In addition to metros and Tier I cities, new companies and leading market players are targeting expansion to Tier II and Tier III cities. This, coupled with the implementation of various government plans to develop smart cities, etc., is projected to drive growth in the Indian market for coffee shops/cafés over the next five years.", said Mr. Karan Chechi, Research Director with TechSci Research, a research based global management consulting firm.

Sales of non-carbonated beverages along with foreign cuisines and fast food in India is exhibiting rapid growth, due to growing income levels and rising awareness among consumers. However, the market is being confronted with challenges pertaining to widespread adoption, due to inclination towards traditional beverages, along with high cost of these new offerings. Companies are spending resources in order to increase awareness regarding their products and keep up with global concepts. Thus, changing consumer preferences and tastes is projected to motivate market players to introduce new varieties of products. The findings of TechSci Research report recommend players to focus on incorporating new types of drinks in their menus, and provide more options to consumers in order to increase sales and strengthen market position along with uncovering a lot of hidden market opportunities.

"India Coffee Shops / Cafés Market Forecast, Consumer Survey and Opportunities, 2021" has evaluated the future growth potential of Indian coffee shops / cafes market and provides statistics and information on market size, structure and consumer behaviour trends. The report intends to provide cutting-edge market intelligence and help decision makers to take sound investment evaluation. Besides, the report also identifies and analyses emerging trends along with essential drivers, challenges and opportunities available in Indian coffee shops/cafés market.

With the growing influence from coffee chains like Café Coffee Day, Starbucks, Costa Coffee etc., coffee consumption is increasing in India. This trend is gaining momentum in the northern and western part of the country, where traditionally the consumers were tea drinkers. In addition, the increase in coffee dispensed by vending machines has helped to drive the out-of-house consumptions especially in offices and on-the-go.

The concept of vending machines in India gained momentum in 2002 when Tata first established vending machines for tea in the country, and since then, vending machines of hot beverages have gained substantial presence in the country. With the increase in the working population, industries, offices and the growth of service-based offices like Business Process Outsourcing companies, the consumption of hot beverages via vending machines has become popular in India. *Source: Technopak*.

Today, these vending machines can be seen from shops to large corporate offices, from railway stations to Government offices. Coffee vending machines which can be noticed at nearby bakeries and railway stations, cinema halls, food centers, hospitals and offices. Its vending

machines came in different sizes and styles to match the needs of consumers at different locations.

The organised coffee vending machine market has been growing at around 32% since 2008. It is further projected to grow at a CAGR of 22% to reach at Rs. 63 billion in 2020. *Source: Technopak*.

Logistics Business

The Company is present in the logistics sector through its subsidiary Sical Logistics Limited (SLL) in which we own a majority equity share of 52.83%. The Company has 6 decades of experience in the logistics sector and is listed on the Bombay Stock Exchange and National Stock Exchange with a market capitalisation of Rs. 12,032 Million as on 31st March 2018. The Company is focused on port handling, road and rail, logistics, container freight stations and mining.

Revenue from our integrated logistics business stood at Rs 13,555 million in 2017-18, representing an increase of 31% over 2016-17. The increase in revenues can be attributed to new contracts and increased volumes in mining and transportation, and growth in other business verticals. EBITDA increased 10% from Rs 1,654 million in 2016-17 to Rs 1,813 million in 2017-18.

Outlook

Logistics is regarded as the backbone of the economy as it ensures the efficient and cost-effective flow of goods and other commercial sectors dependant on it. The logistics industry in India is evolving rapidly. It is the interplay of infrastructure, technology and new types of service providers which defines how the logistics industry will be able to help its customers reduce their costs and provide effective services. Despite a weak response, the logistics industry continues to witness growth owing to the progress in retail, e-commerce and manufacturing sectors. The Global Logistics sector was expected to grow 10 to 15 per cent in 2013-14. The logistics industry is expected to reach over $ 2 billion by 2019. The rise of e-commerce logistics and increased domestic consumption will pave the way for the industry to grow further in the future. With the promise of steady growth and improvement, the service oriented logistics industry is ready to expand beyond the horizons in the latter half of this decade.

Logistics firms are moving from a traditional set-up to the integration of IT and technology to their operations to reduce incurred costs and meet service demands. The growth of the Indian logistics sector depends as much on soft infrastructure like education, training and policy framework as it does on hard infrastructure. To support India's fast-growing economy, a parallel growth of the logistics industry is essential. It is estimated that this industry will continue to grow at a robust rate of 10-15 per cent annually.

The global economic outlook and that of India is expected to significantly improve as India Inc begins to tackle the economic downturn. With a new government many policies are expected to be implemented, which will give a fresh impetus to India's growth engine, particularly in the corporate and small and medium enterprises (SME) sector, which in turn will expand demand for the logistics sector.

With the implementation of GST, companies which currently have small warehouses in several cities, can set up a few in specific regions, following the hub-and-spoke model for freight movement from the warehouses to the different manufacturing plants, wholesale outlets, retail outlets and various POS. This growth is backed by the boom in the e-commerce sector and expansionary policies of FMCG firms.

Financial Services Business

Way2Wealth, one of our group companies, is present in the financial services sector in which we hold an 85.53% equity stake. Way2Wealth Securities Private Limited is a retail-focused investment advisory company. It provides wealth management, broking, portfolio management and investment advisory services.

Gross Revenue from our financial services business stood at Rs.5,744 million in 2017-18, an increase of 21% over 2016-17. The EBITDA during the year under review is Rs.547 million. Significant revenue contributions can be attributed to growth in revenues from institutional, treasury and market operations through quantitative techniques.

Products and Services Provided in the Financial Services Division

Way2Wealth is an investment advisory and financial intermediation enterprise which offers a wide range of financial products, advisory services under one roof, with a Pan-India branch and franchised network. Way2Wealth currently caters to an array of retail, institutional and corporate clients, focusing on qualitative products offered basis an understanding of the customer's risk appetite. Way2wealth's service delivery approach of personalized, need based advice, research capabilities, past performance and emphasis on long-term wealth creation makes our customers feel confident about their financial future. We believe that factors like product insight, customer centric approach and enabling technology would be the driving forces. In all, Way2Wealth is positioned as a one-stop shop for a range of investment needs such as equities, derivatives, exchange traded commodities, and currencies. They are among the leading distributors for mutual funds, insurance, National Pension Scheme and fixed income products in India.

AWARDS AND RECOGNITIONS

- Way2Wealth Commodities Pvt. Ltd. bags MCX Leading Brokerage House of the Year Award – 2018
- Way2Wealth bags BSE Top Performing Broker Award - 2017
- Drivers of Digital Awards 2017 for Best Website in BFSI Sector - 2017
- MCX Excellence Award – Commodity Broker of the Year 2017
- NSDL Go-green Award – 2017

Outlook

In the year ahead, we expect our financial markets to be range bound and our businesses dependent on them to also remain so. Particularly the equity, derivatives, commodities, debt markets and related businesses to show some stagnation. However, the present government's policy focus & regulatory clarities could further encourage the FDI & FII inflows into the country, thereby assisting the markets to move higher and correspondingly help us grow our businesses. Major themes to impact India in 2019 would include a resurrection in consumption demand & more so in the organized sectors. Also, growth led by policy reforms, greater digitisation and monetary stance of global central banks and economic policy decisions could bring in good trends. The positive impact of the currency replacement programme by our government has witnessed tremendous growth in our formal and digital economies, which could continue. Global factors, including commodity price movements and economic policies of the US Govt will also play a vital role in the direction of the stock market in India. To note, our businesses are dependent on regulatory policies and their continuance. Any change in SEBI policies or direction can impact performance, and any increase in cost of transactions due to new levies by the government could impact our volumes and businesses.

TECHNOLOGY PARKS BUSINESS

Our wholly-owned subsidiary, Tanglin Developments Limited, was set up for the development of technology parks and Special Economic Zones, offering bespoke facilities for information technology and IT-enabled services. The Company is developing and operating a Special Economic Zone/technology park in Global Village situated in Bengaluru, Karnataka, and Tech Bay situated in Mangaluru, Karnataka.

Our technology parks division contributed 3.45% to the Company's top line. Gross Revenues from this division increased by 7.3% from Rs 1,392 million in 2016-17 to Rs 1,494 million in 2017-18. Occupancy levels stood at close to 3.46 million sq ft as on 31st March 2018. Anchor tenants, Mindtree and Accenture, currently occupy over 2 mn sq ft Currently, 7.5L sq ft of office space are completed and will be occupied in phases. An additional 7.5L sq ft are currently under construction.

Outlook

Despite cautionary trends permeating the office sector, we expect 2019 to be a positive year. Office properties are expected to remain in high demand, with PE and institutional firms increasingly acquiring/expanding real estate portfolios to hold quality office assets.

Southern India (primarily Hyderabad and Bangalore) is expected to lead retail supply in 2019, with nearly 6 million sq ft of supply likely to be added across 7 key cities. The year is likely to be the starting point for the evolution of Indian retail as new developments (such as sharing economy and flexible leases) improve its alignment with global trends *Source: Pressreader*.

HOSPITALITY BUSINESS

The Company owns and operates luxury boutique resorts, one directly through our Company, and two through our wholly-owned subsidiary, Coffee Day Hotels & Resorts Private Limited (CDHRPL), under the brand 'The Serai'. These resorts are located at Chikmagalur, Bandipur and Kabini, all in Karnataka. The Company also with management control holds a minority interest in a luxury resort in the Andaman and Nicobar islands.

Revenue from our hospitality business increased by 5.6% from Rs. 355 million in 2016-17 to Rs. 375 million in 2017-18.

Outlook

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering our rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. India's Foreign Exchange Earnings (FEEs) increased by 17.6 % year-on-year in January 2018 over January 2017. *Source: IBEF*

MARKET SIZE

India is the most digitally-advanced traveller nation in terms of digital tools being used for planning, booking and experiencing a journey. India's rising middle class and increasing disposable incomes have continued to support the growth of domestic and outbound tourism.

Foreign Tourist Arrivals (FTAs) in India increased 8.4 per cent year-on-year to 1.06 million and the number of FTAs on e-tourist visa increased 58.5 per cent to 2.40 lakh foreign tourist as per Ministry of Tourism, Government of India.

India is expected to move up five spots, to be ranked among the top five business travel markets globally by 2030, as business travel spending in the country is expected to treble by 2030 from US$ 30 billion in 2015. *Source: ET*

International hotel chains will likely increase their expansion and investment plans in India, and are expected to account for 50% share in the Indian hospitality industry by 2022, from the current 44%.

INVESTMENTS

The tourism and hospitality sector is among the top 10 sectors in India to attract the highest Foreign Direct Investment (FDI). During the period from April 2000 - December 2017, the hotel and tourism sector attracted around US$ 10.90 billion of FDI, according to data released by Department of Industrial Policy and Promotion (DIPP).

GOVERNMENT INITIATIVES

The Indian government has realised the country's potential in the tourism industry and has taken several steps to make India a global tourism hub.

Some of the major initiatives planned by the Government of India to give a boost to the tourism and hospitality sector are as follows:

The Government of India signed a loan agreement for US$ 40 million with the World Bank for the Uttar Pradesh Pro-Poor Tourism Development Project aimed at developing tourism facilities in the state.

Under Budget 2018-19, the government allotted Rs 1,250 crore (US$193.08 million) for Integrated development of tourist circuits under Swadesh Darshan and Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD).

KEY RISKS AND CONCERNS

Financial Risk

If the Company's cash flow proves inadequate to meet its financial obligations, its status as a going concern might be invoked.

Competition Risk

With growing westernization and increase in the penetration of global players and growing popularity of individual themed cafés, it might be a challenge for the Company to maintain its existing consumer base.

Regulatory Risks

Operating in the food industry space is subject to various regulatory risks with respect to failure of compliance to quality standards and various regulations imposed by the government policies. Failure to meet with the standards might result in legal implications and loss of business.

Climatic Risks

Bad monsoon might result in lower production of coffee leading to soaring high coffee prices. Passing it to the customers would incur menu costs and loss in price sensitive segment of consumer base. Thus, inadequate monsoon might result in falling revenues and profit.

Economic Risk

Sluggish growth of the economy impacts the spending power reducing consumption. Overall macroeconomic instability results in a lower demand. Thus fluctuations in the economic scenario possess a major risk to the business of the company. Performance of the backward and forward linked industries is of vital importance for the logistics sector to perform.

Social and Political Risk

Government policies play a major role in determining the fate of an industry. Relaxation of various regulations and simplification of tax regime give the much needed push to the concerned sectors. Change in orientation with change in government possesses a threat to the business.



Annexure-2

CORPORATE GOVERNANCE REPORT

In compliance with the provisions of Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), the Company submits the detailed report on Corporate Governance for the financial year ended 31 March 2018, containing the matters mentioned in the said Regulations with respect to the Corporate Governance requirements:

COMPANY'S PHILOSOPHY CORPORATE GOVERNANCE:

The Company has a strong legacy of fair, transparent and ethical governance practices, as it constitutes the strong foundation on which successful enterprises are built to last. The Company ensures fiscal accountability, ethical corporate behaviour and fairness to all the stakeholders including regulators, employees, customers, vendors, investors and society at large.

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted the same for their Non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 (hereinafter "the Act"). The Code of Conduct is available on the Company's official website at the web link: http://www.coffeeday.com/PDF/CODE-OF-CONDUCT.pdf

The Company is in compliance with the requirements of Corporate Governance stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46(2) of the Listing Regulations as applicable.

BOARD OF DIRECTORS:

Composition, Category and Profile of Directors:

The Board comprises of an optimal combination of Executive, Non-Executive and Independent Directors, representing a judicious mix of in-depth knowledge and experience. As on 31 March 2018, the Company has six Directors. Of the six Directors, five are Non-Executive Directors and of which three are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Act. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Act.

Mr. V.G. Siddhartha is the Chairman and Managing Director ('CMD') of the Company, who conducts the day-to-day management of the Company, subject to the supervision and control of the Board of Directors. The independent directors on the Board are management professionals and technocrats who are senior, competent and highly respected persons from their respective fields. The brief profile of each Director on the Board is available on the Company's official website at the web link: : http://www.coffeeday.com/PDF/Profile_of_Board_of_Directors.pdf

The composition and category of Directors as on date are as follows

Name of the Director	Category
Mr. V. G. Siddhartha	Promoter, Chairman and Managing Director
Mrs. Malavika Hegde	Promoter group, Non-Executive Director
Mr. Sanjay Nayar	Non-Executive and Nominee Director
Mr. S. V. Ranganath	Independent and Non-Executive Director
Mr. M. D. Mallya	Independent and Non-Executive Director
Dr. Albert Hieronimus	Independent and Non-Executive Director

Meetings and attendance record of Directors

The Listing Regulations requires the Board to meet at least four times a year. The intervening period between two Board meetings was well within the maximum gap of 120 days. The tentative Board meeting dates are planned well in advance. These meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated at least seven days prior to the Board meeting. The Agenda provides the following information inter-alia to the Board and the Committee:

- Annual operating plans and budgets
- Capital budgets and any updates
- Quarterly results and its operating divisions or business segments
- Minutes of meetings of audit committee and other committees of the board
- The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary
- Show cause, prosecution notices and penalty notices, if any
- If there are any fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company
- Any issue which involves possible public or product liability claims of a substantial nature, including any judgement or order which may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of investments, subsidiaries, assets which are material in nature and not in the normal course of business
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material
- Non-compliance of any statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

During the financial year 2017-18, the Board of Directors met five (5) times as on:

1. 21 April 2017,
2. 18 May 2017,
3. 10 August 2017,
4. 09 November 2017 and
5. 08 February 2018.

The details of Directors' attendance at the Board meetings during the year and at the last Annual General Meeting are given below:

Name of the Director	No. of Board meeting held	No. of Board meeting attended	Attendance at the last AGM i.e. 14. 09. 2017
Mr. V. G. Siddhartha	5	5	Yes
Mrs. Malavika Hegde	5	5	Yes
Mr. Sanjay Nayar	5	2	No
Dr. Albert Hieronimus	5	5	No
Mr. S. V. Ranganath	5	5	Yes
Mr. M. D. Mallya	5	3	No

Details of Directorship in other companies:

None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or Chairman of more than five committees across all the public companies in which he/she is a Director. Necessary disclosures regarding committee positions in other public companies as on 31st March 2018 have been made by the Directors. The details of directorships of the Company's Directors in other companies as on 31st March 2018 are given below (overleaf):

V. G. SIDDHARTHA		
	Name of Company	**Nature of Interest**
1.	Coffee Day Global Limited	Managing Director
2.	Sivan Securities Private Limited	Director
3.	Ittiam Systems Private Limited	Director
4.	Coffee Day Resorts (MSM) Private Limited	Director

MALAVIKA HEGDE		
	Name of Company	**Nature of Interest**
1.	Coffee Day Global Limited	Director
2.	Coffee Day Resorts (MSM) Private Limited	Director

SANJAY NAYAR		
	Name of Company	**Nature of Interest**
1.	Pratham Education Foundation	Director
2.	Valleyview Probuild Private Limited	Director
3.	Indian School of Business	Director
4.	KKR India Advisors Private Limited	Director
5.	KKR India Financial Services Private Limited	Director
6.	Heritage View Developers Private Limited	Director
7.	Coffee Day Global Limited	Director
8.	Magma Fincorp Limited	Director
9.	Pratham Institute For Literacy Education & Vocational Training	Director
10.	Grameen Capital Investment Advisors Private Limited	Additional Director
11.	Apollo Hospitals Enterprise Limited	Director
12.	Sea View Probuild Private Limited	Director
13.	Sealink View Probuild Private Limited	Director
14.	Seynse Technologies Private Limited	Director
15.	Avendus Capital Private Limited	Nominee Director
16.	Max Financial Services Limited	Director
17.	Epimoney Private Limited	Director
18.	Bharti Infratel Limited	Director
19.	KKR Capital Markets India Private Limited	Director
20.	Radiant Life Care Private Limited	Nominee Director

S.V. RANGANATH		
	Name of Company	Nature of Interest
1.	Centre for study of Science Technology and policy	Whole-Time Director
2.	Indian Institute For Human Settlements	Director
3.	Coffee Day Global Limited	Director
4.	Indian Institute of Trans Disciplinary Health Sciences & Technology	Director
5.	Qs-Era India Private Limited	Additional Director

ALBERT HIERONIMUS		
	Name of Company	Nature of Interest
1.	NIL	-

M. D. MALLYA		
	Name of Company	Nature of Interest
1.	India Infradebt Limited	Director
2.	Emami Limited	Director
3.	Nitesh Estates Limited	Director
4.	Seven Islands Shipping Limited	Director
5.	Interglobe Aviation Limited	Director
6.	Milestone Capital Advisors Limited	Director
7.	Tata Capital Financial Services Limited	Director
8.	CFM Asset Reconstruction Private Limited	Director
9.	Indian Institute of Insolvency Professionals of ICAI	Director

Details of Membership/Chairmanship of Directors in Board Committees

Following is the list of Memberships/Chairmanships of Directors in the Committees* of the Listed companies in which they are holding directorships:

S. No.	Name of the Director	*No. of Committee Memberships/Chairmanship held in Listed Companies
1	Mr. V. G. Siddhartha	2
2	Mrs. Malavika Hegde	1 as a Chairman
3	Mr. Sanjay Nayar	2
4	Mr. S. V. Ranganath	2 (including 1 as Chairman)
5	Mr. M. D. Mallya	4 (including 1 as Chairman)
6	Dr. Albert Hieronimus	1

**Includes Only Audit & Stakeholders Relationship Committees*

Shareholding of Directors

Name of the Director	Nature of Directorship	Details of Shareholding as at 31st March 2018
Mr. V. G. Siddhartha	Promoter, Chairman & Managing Director	69,174,700
Mrs. Malavika Hegde	Promoter Group, Non-Executive Director	85,62,506
Mr. Sanjay Nayar	Nominee Director	-
Mr. S. V. Ranganath	Independent and Non-Executive Director	-
Mr. M. D. Mallya	Independent and Non-Executive Director	-
Dr Albert Hieronimus	Independent and Non-Executive Director	-

Inter-se relationship among Directors

There is no inter-se relationship amongst the Directors, except that Mr. V.G. Siddhartha and Mrs. Malavika Hegde are related to each other. Mrs. Malavika Hegde is the wife of Mr. V.G. Siddhartha.

Re-appointment of Directors

Mr. Sanjay Omprakash Nayar shall retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Notice of interest by Senior Management personnel

The Board has noted that no material, financial and commercial transactions have been entered into between the Company and Senior Management team, where they have personal interest.

Familiarisation Programme for Independent Directors

As per Regulation 25(7) of the Listing Regulations and Schedule VI of the Act, the Company in its routine course of action familiarises its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through various orientation programmes which include induction of new Directors and other initiatives to update the Directors on an on-going basis. The Familiarisation Programme framed for the Independent Directors is disclosed on the Company's official website and may be accessed at the web link: http://www.coffeeday.com/PDF/FAMILIARISATION%20PROGRAMME%20FOR%20ID.pdf

Meeting of Independent Directors

A meeting of Independent Directors was held on 10th August, 2017 in terms of the requirements of the Act and Regulation 25(3) of the Listing Regulations. The meeting was held without the presence of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors, the Board and the Chairperson of the Company, and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

Board Committees

The Company has constituted various Committees for the smooth functioning of the Board. There are Six (6) Board Committees which comprise of Four (4) statutory committees and Two (2) other committees that have been formed considering the needs of the Company and best practices in Corporate Governance.

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholder Relationship Committee
4. Corporate Social Responsibility Committee

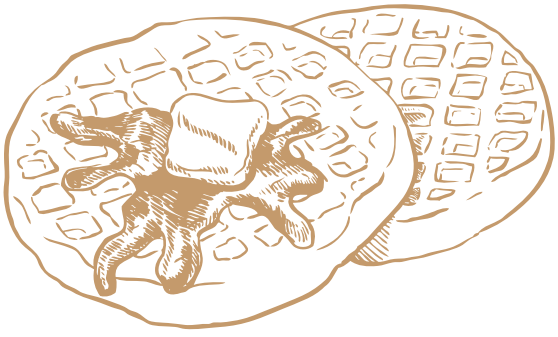
Statutory Committees

5. Risk Management Committee
6. Administrative Committee

Other Committees

1. AUDIT COMMITTEE

Composition & Category	Terms of reference	Other details
1. Mr. S. V. Ranganath Chairman and Independent Director **2. Dr. Albert Hieronimus** Independent Director and Member **3. Mr. V. G. Siddhartha** Executive Director and Member	The terms of reference of the Audit Committee covers all the areas mentioned under Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. • Oversight of the Company's financial reporting process and disclosure of its financial information; • Reviewing, with the management, the quarterly, half-yearly, annual financial statements and auditor's report before submission to the Board for approval; Scrutinizing of inter-corporate loans and investments; • Reviewing Management discussion and Analysis report; • Recommending the terms of appointment/ re-appointment, remuneration, replacement or removal of Statutory auditors; • Recommending appointment and remuneration of Cost Auditors; • Reviewing the adequacy of internal audit function and internal control systems; • Approval of all related party transactions; • Evaluation of Risk Management System; • Appointment of Chief Executive Officer; • Reviewing the functioning of Whistle Blower Mechanism.	• Majority of members of the committee are independent. The members possess sound knowledge of accounts, finance, audit and legal matters. • The Company Secretary & Compliance Officer, Mr. Sadananda Poojary, acts as the Secretary to the Audit Committee to ensure compliance and effective implementation of the Corporate Governance practices. • The MD and CFO have certified, in terms of regulation 17(8) of the Listing Regulations to the Board that the financial statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards.



Meeting and attendance during the year

During the financial year 2017-18, the Committee met four (4) times as on:

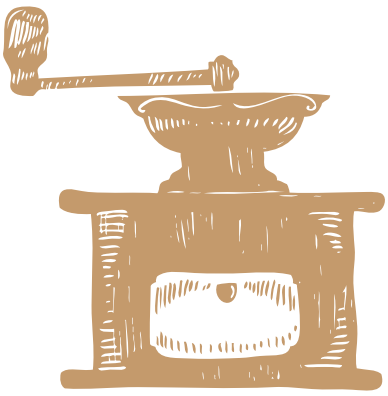
1. 18th May 2017,
2. 10th August 2017,
3. 09th November 2017 and
4. 08th February 2018.

The details of member's attendance at the Audit committee meeting during the year are given below:

Name of the Director	No. of Meeting held	No. of meeting attended
Mr. S. V. Ranganath	4	4
Dr. Albert Hieronimus	4	4
Mr. V. G. Siddhartha	4	4

2. NOMINATION & REMUNERATION COMMITTEE

Composition and Category	Terms of reference	Other details
1. Mr. S. V. Ranganath Chairman and Independent Director 2. Dr Albert Hieronimus Independent Director and Member 3. Mrs. Malavika Hegde Non-Executive Director and Member	In compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations, the terms of reference with respect to the Committee are as follows: • Make recommendations regarding the composition of the Board, identify Independent Directors to be inducted to the Board and take steps to refresh the compositi,on of the Board from time to time. • Formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy relating to the remuneration of the Directors, KMPs and other employees. • Devise a policy on diversity of Board of Directors.	• The Company has not conducted any meeting of the committee in this financial year • The Board in consensus with the Committee carried out an annual evaluation of the performance of all its Committees, their Chairperson and each of the Directors on the Board through a self-evaluation survey process. • The Independent Directors were evaluated on various pointers like integrity, confidentiality, commitment, participation, knowledge, decision-making capacity and inter-personal relationships with other directors and management.



Remuneration of Directors

a) Details of remuneration

The details of remuneration and sitting fees paid or provided to each of the Directors during the year ended 31st March, 2018 are given below:

Rs in Millions

	Salary and Perquisites			Others		
Name of the Director	**Fixed pay & Bonus**	**Perquisites**	**Retiral Benefits**	**Commission**	**Sitting fees**	**Total**
Mr. S. V. Ranganath	-	-	-	-	0.9	0.9
Mr. Albert Hieronimus					0.9	0.9
Mr. M. D. Mallya					0.3	0.3

b) Services Contracts, notice and severance fees

As at 31st March 2018, the Board comprised six members including one Chairman and Managing Director, two non-executive Directors, and three independent Directors. However, Independent Directors are not subject to any notice period and severance fees.

c) Pecuniary relations or transactions of the Non-Executive Directors

There were no pecuniary relationships or transactions of non-executive directors vis-a-vis the Company which has potential conflict with the interests of the Company at large.

d) Compensation/Fees paid to Non-Executive Directors

There were no payments made to the non-executive Directors of the Company.

e) Criteria for making payment to Non-Executive Directors

The criteria for making payment shall not be applicable for the Company.



3. STAKEHOLDER RELATIONSHIP COMMITTEE

Composition and Category	Terms of reference	Other details
1. Mrs. Malavika Hegde Chairman and Non-Executive Director 2. Mr. V. G. Siddhartha Executive Director and Member 3. Mr. S. V. Ranganath Independent Director and Member	Pursuant to Section 178 of the Act and Regulation 20 of the Listing Regulations, the Committee's terms of reference are as under: • Approval for issue of duplicate share certificates and review all matters connected with transfer of securities of the Company. • Redressal of investors' complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend, etc. • Oversee performance of the Registrars and Transfer Agents of the Company and recommending measures for overall improvement in the quality of investor services.	• During the F.Y. 2017-18, the Company has not conducted any meeting of Stakeholder Relationship Committee. • The Company has formulated a Code of conduct for Prohibition of Insider Trading in pursuance to SEBI (Prohibition of Insider Trading) Regulations, 2015, for monitoring of implementation and compliance of the same. The Code can be accessed on the Company's official website: www.coffeeday.com

Shareholders Complaint and Redressal

The Registrar and Share Transfer Agent (RTA) of the Company is Link Intime India Private Limited, who handles the investor's grievances in coordination with the Compliance Officer of the Company. The Company maintains continuous interaction with RTA and takes proactive steps and necessary actions in resolving shareholder's queries and complaints. The details of the shareholders complaints received and redressed during the year are as follows:

Opening	Complaints received	Complaints solved	Pending
Nil	Nil	Nil	Nil

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Name of the Member	Category and Position	Other details
1. Mr. S. V. Ranganath	Chairman & Independent Director	The Company has formulated a policy of CSR, which lays down the areas of focus, composition of Committee, responsibilities of the Board of Directors and CSR budget. It also contains the CSR activities which can be carried out by the Company, governance structure and through implementation process. The said policy has been hosted on the Company's website and is available on the link: http://www.coffeeday.com/PDF/CSR-Policy-CDEL.pdf
2. Mr. V. G. Siddhartha	Executive Director & Member	
3. Mrs. Malavika Hegde	Non-Executive Director & Member	

5. RISK MANAGEMENT COMMITTEE

Name of the Member	Category and Position	Other details
1. Mr. V.G. Siddhartha	Chairman & Executive Director	The Company has incorporated sustainability in the process, which helps the Board to align potential exposures with the risk appetite and highlight risks associated with different business sectors such as coffee business, technology parks, logistics business, financial services and hospitality business.
2. Mrs. Malavika Hegde	Non-Executive Director and Member	

6. ADMINISTRATIVE COMMITTEE

Name of the Member	Category and Position	Other details
1. Mr. V. G. Siddhartha	Chairman & Executive Director	For overall feasibility, the Company has constituted an Administrative Committee of the Board. Being a Listed entity, it is not practicable for a Company to hold Board meetings for every business transaction. Hence the Committee is constituted to review and administer day-to-day matters of the Company.
2. Mrs. Malavika Hegde	Non-Executive Director and Member	

GENERAL BODY MEETINGS
Location and time of the Shareholders meetings
The last three financial year General Meetings of the Company were held as under:

Year	Date and Time	Venue	Special Resolution, if any
2014-15	18.08.2015 10:00 AM	No: 23/2, Coffee Day Square, Vittal Mallya Road, Bangalore– 560 001	-
2015-16	14.09.2016 11:00 AM	Taj Vivanta, No. 2275, Tumkur Road, Yeshwantpur, Bengaluru-560022	Issue of Non-Convertible Debentures on Private Placement Basis
2016-17	10.03.2017 12:00 Noon (NCLT Meeting)	Café Coffee Day, Global Village, RVCE Post, Mysore Road, Mylasandra, Bangalore - 560059	Approval of the scheme of Amalgamation of Coffee day Enterprises Limited with Coffee Day Overseas Private Limited
2016-17	14.09.2017 11:00 AM	Café Coffee Day, Global Village, RVCE Post, Mysore road, Mylasandra, Bangalore-560059	Issue of Non-Convertible Debentures on Private Placement Basis

Role of Company Secretary & Compliance Officer

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Board appointed Mr. Sadananda Poojary as the Company Secretary and Compliance officer pursuant to the Act and Regulation 6 of the Listing Regulations. He ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision making at the meetings. He is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

OTHER DISCLOSURES

A. Means of Communication

i. Website

The Company's official website www.coffeeday.com contains the information pertaining to the Company that it is in compliance with the Listing Regulations. A separate section for investors is available wherein the updated information pertaining to quarterly, half-yearly and annual financial results, official press releases and presentations, if any, shareholding pattern, etc. is available in a user-friendly and downloadable form.

ii. Financial results

The quarterly, half-yearly and annual financial results of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the Listing Regulations. The financial results are displayed on BSE and NSE websites and are also published in 'The Business Line' (English) and 'Vijayvani' (Kannada) newspapers within forty-eight (48) hours of Board approval thereof and posted on the Company's official website.

iii. Annual report

Annual Report containing, inter-alia, the Audited Standalone and Consolidated Financial Statements, Board's Report, Auditor's Report, Corporate Governance Report, Business Responsibility Report, Management Discussion and Analysis Report is circulated to members and others entitled thereto. The same is made available on the Company's official website under the web link: http://www.coffeeday.com/stakeholders.html

iv. Exclusive designated email address

In terms of the Listing Regulations, the Company has designated a separate email Id for dealing with Investors' queries and complaints viz., investors@coffeeday.com

v. SCORES

SEBI Complaints Redressal System (SCORES) is an online facility, where investors can submit their complaints for Redressal by the RTA/Company.

B. General Shareholders' Information

i. Tenth (10th) Annual General Meeting (AGM)

The 10th AGM of the Company will be held on Thursday, 27th September, 2018 at 11:00 A.M. at Café Coffee Day, Global Village, RVCE Post, Mysore road, Mylasandra, Bangalore (KA) - 560059.

ii. Financial year and tentative financial calendar

Financial Year – 01st April 2017 to 31st March, 2018

Tentative Schedule for declaration of financial results during the financial year 2018-19 and next AGM is as under:

Results of Quarter ending 30th June, 2018	09th August, 2018
Results of Quarter ending 30th September, 2018	08th November, 2018
Results of Quarter ending 31st December, 2018	14th February, 2019
Results of Quarter ending 31st March, 2019	23rd May, 2019
AGM for the year ending 31st March, 2019	On or before 30th September, 2019

iii. Book closure dates

The Company has not transacted any business pursuant to Regulation 42(1) of the Listing Regulations, therefore there is no such requirement for book closure for this financial year.

iv. Dividend payment date

During the financial year 2017-18, no dividend has been declared by the Directors of the Company; hence this clause is not applicable to the Company.

v. Listing on stock exchanges

BSE Limited (BSE)	National Stock Exchange of India (NSE)
Add: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai (MH) - 400001	Add.: Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (E), Mumbai (MH) – 400051
Stock Code: 539436	Stock Code: COFFEEDAY

vi. International Securities Identification Number (ISIN)

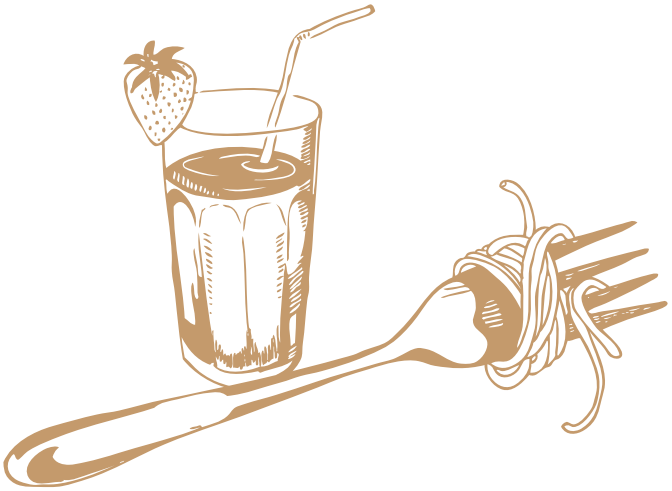
ISIN of the Company is – INE335K01011



C. Market Price data during 2017-18

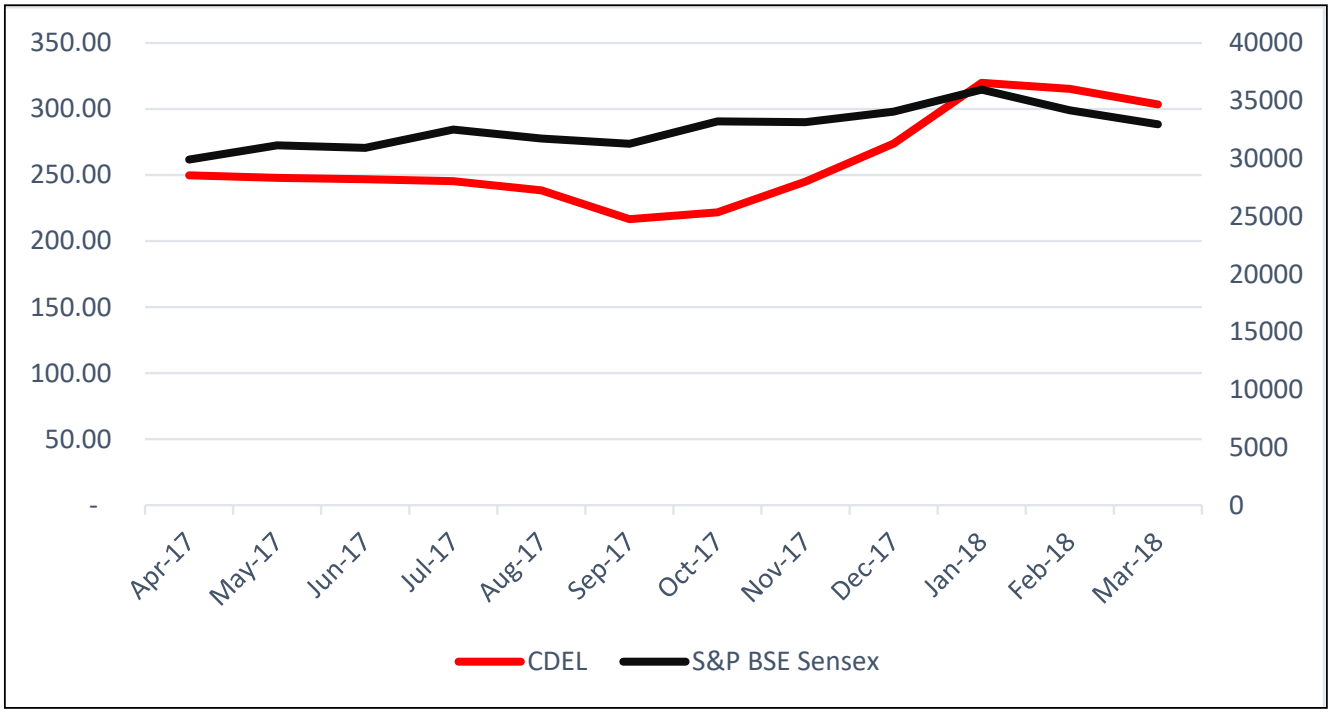
The monthly high/low closing prices and volume of shares of the Company from April 1, 2017 to March 31, 2018 are given below:

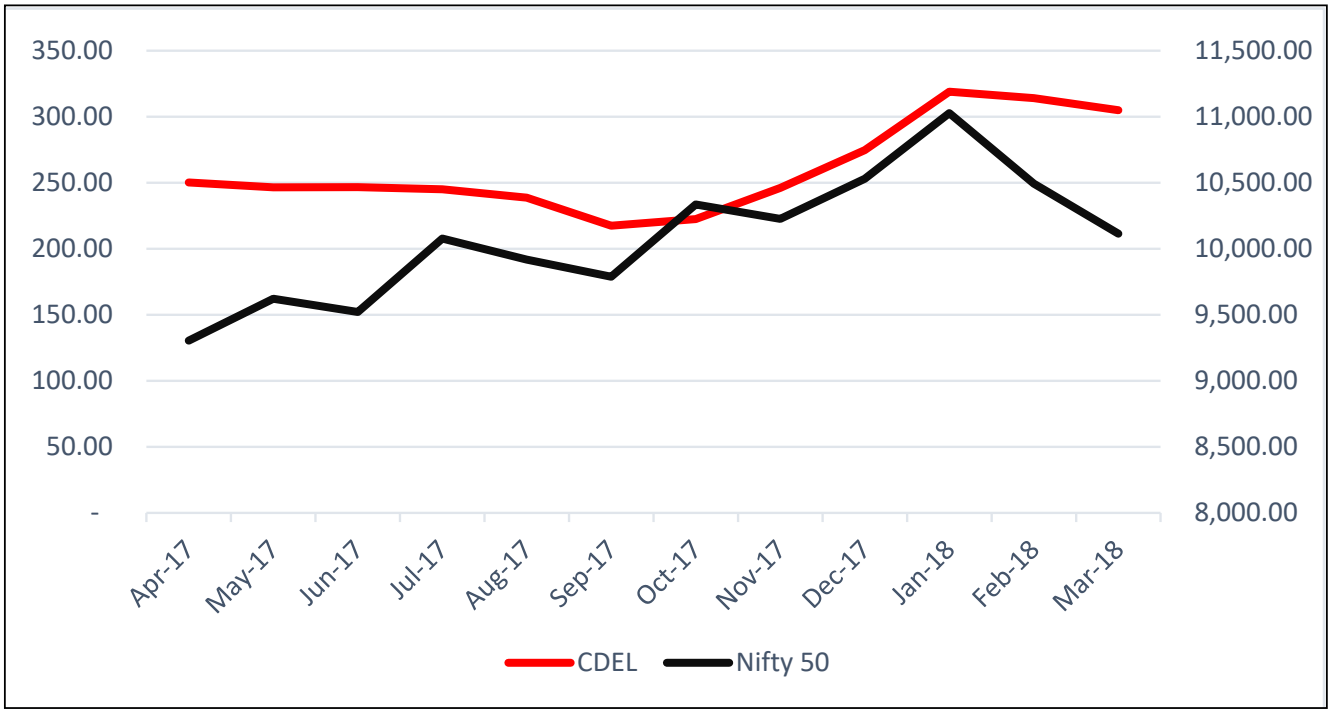
Months	BSE			NSE		
	High Price	Low Price	Volume of Equity Shares	High Price	Low Price	Volume of Equity Shares
Apr-17	259.00	229.50	5,17,053	258.70	229.30	40,45,390
May-17	276.85	243.50	5,19,348	277.00	242.55	38,82,343
Jun-17	258.80	240.20	2,54,365	257.80	240.10	10,54,094
Jul-17	259.50	242.00	2,07,131	260.00	242.20	14,62,862
Aug-17	251.15	231.10	1,76,633	251.40	230.85	17,32,090
Sep-17	255.00	204.65	4,41,785	255.25	204.00	42,89,065
Oct-17	231.65	209.00	99,225	231.70	208.50	15,13,882
Nov-17	257.80	214.40	4,65,833	258.15	214.20	49,61,183
Dec-17	292.65	248.50	8,52,312	292.50	235.00	92,06,835
Jan-18	374.60	269.40	17,24,430	374.90	270.10	1,95,48,511
Feb-18	343.00	293.00	6,02,672	343.55	282.00	1,51,55,465
Mar-18	327.00	287.10	18,17,179	325.35	286.05	43,32,194



D. Stock Price Performance Index In Comparison With BSE Sensex/NSE Nifty For The FY 2017-18

The chart below gives the relative movement of the closing price of the Company's share and the BSE Sensex/NSE Nifty relative to the closing price. The period covered is 1st April 2017 to 31st March 2018. The Management cautions that the stock price movement shown in the graph below should not be considered indicative of potential future stock price performance.





E. Share Transfer System

a) Physical shares

Share transfers in physical form are processed by the Company's Registrar & Share Transfer Agent (RTA) viz. Link Intime India Private Limited, Mumbai. The share certificates are generally returned to the transferees within a period of fifteen (15) days from the date of receipt of transfer documents, if technically found to be in order and complete in all respects.

b) Demat shares

On receipt of the Demat request, shares are processed and the confirmation is given to depositories within fifteen (15) days from the date of receipt if the documents are in order.

The Equity shares of the Company are in Demat form except 19 shares in physical form.

F. Distribution of the Shareholding

The distribution of shareholding (category wise) as at 31st March 2018 is as under:

S. No.	Category	No. of shares	% to Equity
1	Promoters & Promoter Group	11,39,29,198	53.93
2	Foreign Institutional Investors	1,21,62,621	5.76
3	Mutual Funds, Banks, IFIs	24,97,898	1.19
4	NRIs & Foreign Nationals	4,99,80,801	23.65
5	Corporate Bodies	87,05,437	4.12
6	Indian Public & Others	2,39,75,764	11.35

G. Distribution of shareholding by number of shares

Category	No. of shareholders	Total Shares	% to Shareholders	% to paid up capital
1-500	36775	32,00,026	91.48	1.51
501-1000	2329	14,96,918	5.79	0.70
1001-2000	414	6,04,901	1.03	0.28
2001-3000	138	3,51,033	0.34	0.16
3001-4000	96	3,35,828	0.23	0.15
4001-5000	80	3,80,657	0.19	0.18
5001-10000	118	8,98,991	0.29	0.42
10000 & above	246	20,39,83,365	0.61	96.55

H. Dematerialization of shares and liquidity

19 shares constituting 0.00% of the paid up share capital of the Company were in physical form as at 31 March 2018. There are no outstanding GDRs/ADRs/ Warrants and convertible instruments.

I. Contact Information

Investor Grievances Correspondence

Mr. Sadananda Poojary
Company Secretary and Compliance Officer
Tel.: 91 80 40012345
E-mail id: investors@coffeeday.com

Registrar and Share Transfer Agents

Link Intime India Private Limited
C 101, 247 Park, LBS Marg, Vikhroli (West),
Mumbai (MH) 400083

Registered Office Address

Coffee Day Enterprises Limited
23/2, Coffee Day Square
Vittal Mallya Road, Bangalore 560001

J. Compliance Requirements

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authority on all matters relating to capital markets during the last three (3) years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authorities relating to the above.

K. Code of Conduct

The Company has laid down a "Code of Business conduct and Ethics" for the Directors and Senior Management Personnel. The same code is available on the Company's official website and can be accessed at the web link: http://www.coffeeday.com/PDF/CODE-OF-CONDUCT.pdf
All the Board members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2018. A declaration duly signed by Mr. V.G. Siddhartha, Managing Director, forms part of this report.

L. Whistleblower Policy/Vigil mechanism

In line with Regulation 22 of the Listing Regulations and Section 177 of the Act, Vigil Mechanism/Whistle blower policy has been formulated for Directors and Employees (including their representative bodies) to communicate and report genuine concerns about the unethical behaviour or practices, actual or suspected fraud or violation of Company's Code of conduct etc. The said policy provides adequate safeguard against the victimization of Directors/Employees who avail such mechanism and it also provides direct access to the Chairman of Audit Committee in exceptional cases. Further it has been also affirmed that no personnel has been denied access to the Audit Committee. The Whistle blower policy has been made available on the Company's official website.

M. Related party contracts or arrangements

All Related Party Transactions that were entered into during the financial year 2017-18 were on an arm's length basis and in the ordinary course of business and is 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. The Audit Committee in their meeting held on 18th May, 2017 has placed all the related parties' transactions for prior approval and in the same meeting; omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature or when the need for them cannot be foreseen in advance. Further, disclosures are made to the Committee on a quarterly basis. None of the transactions entered into with related parties' falls under the scope of Section 188(1) of the Act and hence there is no such requirement to enclose 'Form AOC-2' pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014.
The Company has adopted a Policy for dealing with Related Party Transactions which has been approved by the Board of Directors on the recommendations of the Audit Committee and may be viewed on the Company's official website.

N. Material Subsidiary

The Company has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the Listing Agreement. The said policy is available at the Company's official website.
The Company has 45 subsidiaries of which one subsidiary viz. Coffee Day Global Limited is identified as a 'material' subsidiary. A report on the performance and financial position of each of the Subsidiary Companies is presented in the Boards' report. The financial statements of the subsidiaries will be made available on the website of the Company, post approval by the members.

O. Reconciliation of Share Capital Audit

A qualified Practicing Company Secretary carried out a share capital audit under Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital.
The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

P. Preservation of Documents

As per Regulation 9 of the Listing Regulations, the Company has framed a policy for preservation of documents in the name of 'Archival Policy'. The policy plays an important role in completing the Information Management Life Cycle of the Company. It aims at ensuring creation and management of reliable and authentic

archives for accountability purposes. The said policy is made available on the Company's official website and can be accessed through a web link at: http://www.coffeeday.com/PDF/Archival%20Policy.pdf

Q. Compliance with mandatory and non-mandatory requirement

The Company has complied with all the mandatory requirements of the Listing Regulations relating Corporate Governance.

The Company has also adopted the following discretionary requirements under Regulation 27(1) of the Listing Regulations read along with Part E of Schedule II thereto:

- *Unmodified opinion in Audit Report:* The Statutory Auditors of the Company has not raised any qualifications/modified opinion on the Financial Statements of the years 2014-15, 2015-16 and 2016-17, thereby moving towards regime of unqualified/unmodified Financial Statements.
- *Reporting of Internal Auditor:* The Internal Auditors, ABS & Co., reports directly to the Audit Committee of the Company.

Declaration by the Managing Director under Listing Regulations regarding compliance with Business Conduct Guidelines (Code of Conduct)

In accordance with the Listing Regulations, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the Financial Year ended 31st March 2018.

For Coffee Day Enterprises Limited

Sd/-
Mr. V. G. Siddhartha
Chairman & Managing Director

Bengaluru
9 August 2018

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

Corporate Identity No: L55101KA2008PLC046866
Authorised Capital: INR 2,74,33,40,000/-
Paid Up-Capital: INR 2,11,25,17,190/-

To,
The Members of
Coffee Day Enterprises Limited.,
Coffee Day Square, 23/2,
Vittal Mallya Road,
Bengaluru-560001

We have examined the compliance of conditions of Corporate Governance by Coffee Day Enterprises Limited ('the Company') for the year ended 31 March 2018, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to 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.

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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

for **HRB & Co.**,
Company Secretaries
Firm's registration Number: S2014KR261500

Sd/-
C. S. Harshavardhan R. Boratti
Proprietor
C. P. No. : 11444
Membership No. FCS 9490
Place: Bangalore
Date: 09.08.2018

Annexure-3

DIVIDEND DISTRIBUTION POLICY

This policy applies to the distribution of dividend by Coffee Day Enterprises Limited (the "Company") in accordance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBIw Regulations).

DEFINITIONS

The terms referred to in the policy will have the same meaning as defined under the Act and the Rules made thereunder, and the SEBI Regulations.

BACKGROUND

SEBI has, through its notification dated July 8, 2016, released the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, incorporating Regulation 43 A – Dividend Distribution Policy requiring the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

This Policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this policy.

a. The circumstances under which the shareholders may or may not expect dividend;

The Company shall comply with the relevant statutory requirements that are applicable to the Company in declaring dividend or retained earnings. Generally, the Board shall determine the dividend for a particular period after taking into consideration the financial performance of the Company, the advice of executive management, and other parameters described in this policy.

b. The financial/internal parameters that shall be considered while declaring dividend;

The Board of Directors of the Company shall consider the following financial parameters while declaring dividend or recommending dividend to shareholders:

- Capital allocation plans including:
- Expected cash requirements of the Company towards working capital, capital expenditure in technology and Infrastructure etc.;
- Investments required towards execution of the Company's strategy;
- Funds required for any acquisitions that the Board of Directors may approve; and any share buy-back plans.
- Minimum cash required for contingencies or unforeseen events;
- Funds required to service any outstanding loans;
- Liquidity and return ratios;
- Any other significant developments that require cash investments.

c. External factors that shall be considered for declaration of dividend

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

- Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
- Any political, tax and regulatory changes in the geographies in which the Company operates;
- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- Any changes in the competitive environment requiring significant investment.

d. Policy as to how the retained earnings shall be utilized

The profits earned by the Company can either be retained in the business and used for various purposes as outlined in clause (b) above or it can be distributed to the shareholders.

e. Provisions in regard to various classes of shares

The provisions contained in this policy shall apply to all classes of Shares of the Company. It may be noted that currently the Company has only one class of shares, namely, Equity Shares.

REVIEW

This policy will be reviewed and amended as and when required by the Board.

LIMITATION AND AMENDMENT

In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments ("Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard shall automatically apply to this policy.

Annexure-4

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 The Companies (Accounts) Rules, 2014]

A) CONSERVATION OF ENERGY

Your company is committed to adopt energy efficient practices across all its business units, offices, factories and outlets to reduce the consumption of power by analyzing power factor, maximum demand, working hours, load factor, specific energy consumption and monthly consumption. On the basis of energy audit, following energy conservation measures are taken:

- Installing advanced energy saving gadgets like capacitor banks, indigenized components like thermo controllers for the ovens and usage of LED lighting etc.
- Energy Management by conducting energy audits and introducing innovative ways of saving power. This includes introducing of high end online energy monitoring system in majority of CCD outlets, With Internet of Things (IoT) it is possible to remotely monitor and manage energy usage and take timely actions to stop inefficiencies.

The above mentioned initiatives have reduced the energy consumption by 8-9% compared to the previous fiscal.

B) TECHNOLOGY AND INNOVATION

Coffee Day has been constantly evolving with innovative ideas/Improvements in the areas of Coffee brewing, curing, roasting, testing etc. and to align with the taste of the consumers, we have been innovating vending machines to cater the needs of the corporate customers and they are duly supported by latest, the efforts however are undertaken and pooled at group level.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	FY 2017-18	FY 2016-17
Foreign Exchange earned	Nil	Nil
Outgo of Foreign Exchange	Rs. 0.9 Miilion	Rs. 1.03 Million

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

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

To,

The Members

Coffee Day Enterprises Limited
23/2, Coffee Day Square,
Vittal Mallya Road,
Bengaluru – 560001.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2018 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 Bye-laws framed thereunder;

(iv). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. There were no Overseas Direct Investment and External Commercial Borrowings during the period under review;

(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-

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, 1992;
c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation 2014 (Not applicable to the company during the Audit period);
e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the company during the Audit period);
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;
g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the company during the Audit period); and
h. The Securities and Exchange Board of India

(Buyback of Securities) Regulations, 1998 (Not applicable to the company during the Audit period);

i. The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015.

(vi) Other law specifically applicable to the company

a. Water (Prevention and control of Pollution) Act, 1974
b. Air (Prevention and control of Pollution) Act, 1981
c. Hazardous Waste (Management, Handling and Trans boundary Movement) Rules, 2008
d. Karnataka Excise Act, 1965
e. Food Safety and Standards Authority of India Act, 2006
f. The Prevention of Food Adulteration Act, 1954
g. Employees State Insurance Act,1948
h. The Employees Provident Fund and Miscellaneous Provisions Act,1952.
i. The Payment of Gratuity Act,1972
j. The Maternity Benefit Act,1961.

I have also examined compliance with the applicable clauses of the following:

(i). Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii). The Listing Agreements entered into by the Company with National Stock Exchange & Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and the following 'Material developments' were observed during the period under review.

During the year the Income Tax department conducted search/ survey under section 132/ 133A of the Income Tax Act, 1961 on the company and its subsidiary companies from 21 September 2017 to 24 September 2017. The Company submitted a statement to the stock exchanges on 25 September 2017 to this effect. The Company does not envisage any material impact on the financial statements of the company.

I FURTHER REPORT THAT

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

Adequate notice is given to all 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.

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

We further report that during the audit period:

(i). Coffee Day Overseas Private Limited have been amalgamated with the company pursuant to the Scheme of Amalgamation sanctioned by the Order of the National Company Law Tribunal (NCLT), Bengaluru dated 31st August, 2017.

(ii). The Step-Down subsidiaries 'Amalgamated Holdings Limited', 'Coffee Day Properties (India) Private Limited' and 'Ganga Coffee Curing Works Limited (Transferor Companies)' have been merged with the 'Material Subsidiary' of the Company, 'Coffee Day Global Limited', upon confirmation of the Scheme of Amalgamation by the Office of the Regional Director, Ministry of Corporate Affairs dated 30.01.2018.

(iii). The Company has allotted 850 Rated Redeemable Non-convertible debentures of Rs. 10,00,000/- each, aggregating up to INR 85,00,00,000/- to ICICI Prudential Savings Fund.

(iv). The Company has allotted 900 Rated Redeemable Non-convertible debentures of Rs. 10,00,000/- each, aggregating up to INR 90,00,00,000/- to ICICI Prudential Savings Fund.

(v). The Company has allotted 600 Rated Redeemable Non-convertible debentures of Rs. 10,00,000/- each, aggregating up to INR 60,00,00,000/- to ICICI Prudential Savings Fund.

for **HRB & Co.,**
Company Secretaries
Firm's registration Number: S2014KR261500
Sd/-
CS. Harshavardhan R. Boratti
Proprietor
C. P. No. : 11444
Membership No. FCS 9490
Place: Bangalore
Date: 09 August 2018

Annexure – A

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

To

The Members

Coffee Day Enterprises Limited
23/2, Coffee Day Square,
Vittal Mallya Road,
Bengaluru – 560001.

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. 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 and relied upon the Reports given by statutory auditors or other designated professionals.

4. Whereever 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.

for **HRB & Co.**,
Company Secretaries

Firm's registration Number: S2014KR261500
Sd/-
CS Harshavardhan R Boratti
Proprietor
C. P. No. : 11444
Membership No. FCS-9490

Place: Bangalore

Annexure-6

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31 March 2018

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN	**L55101KA2008PLC046866**
ii)	Registration Date	20th June 2008
iii)	Name of the Company	**Coffee Day Enterprises Limited**
iv)	Category/Sub-Category of the company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	23/2, Coffee Day Square, Vittal Mallya Road, Bangalore (KA) - 560001
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai (MH) - 400083

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products/ services	NIC Code of the Products/ Service	% to total turnover of the Company
1	Sale of Coffee Beans	47211	45.14%
2	Interest Income	64990	32.88%
3	Dividend Income	64200	14.02%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	Coffee Day Global Ltd.	U85110KA1993PLC015001	Subsidiary	89.62%	2 (87) (ii)
2	Tanglin Developments Ltd.	U85110KA1995PLC019495	Subsidiary	100.00%	2 (87) (ii)
3	Coffee Day Hotels and Resorts Pvt. Ltd.	U55101KA2004PTC034591	Subsidiary	100.00%	2 (87) (ii)
4	Coffee Day Trading Ltd.	U74140KA2000PLC026366	Subsidiary	88.77%	2 (87) (ii)
5	Way2Wealth Securities Pvt. Ltd.	U72200KA2000PTC027020	Subsidiary	85.53%	2 (87) (ii)
6	Classic Coffee Curing Works	NA	Subsidiary	100.00%	2 (87) (ii)
7	Coffeelab Ltd.	U85110KA1996PLC019932	Subsidiary	100.00%	2 (87) (ii)
8	A N Coffeeday International Ltd.	NA	Subsidiary	100.00%	2 (87) (ii)
9	Coffee Day Gastronomie Und Kaffeehandles GmbH	NA	Subsidiary	100.00%	2 (87) (ii)
10	Coffee Day C Z a.s	NA	Subsidiary	100.00%	2 (87) (ii)
11	Giri Vidhyuth (India) Limited	U40101KA2001PLC029866	Subsidiary	100.00%	2 (87) (ii)
12	Tanglin Retail Reality Developments Pvt. Ltd.	U70102KA2007PTC044421	Subsidiary	100.00%	2 (87) (ii)
13	Sical Logistics Ltd.	L51909TN1955PLC002431	Subsidiary	52.83%	2 (87) (ii)
14	PNX Logistics Pvt. Ltd.	U74120MH2011PTC223670	Subsidiary	60.00%	2 (87) (ii)
15	Develecto Mining Limited	U10200TN2018PLC121501	Subsidiary	51.00%	2 (87) (ii)
16	Patchems Pvt. Ltd.	U24110MH1989PTC052943	Subsidiary	51.00%	2 (87) (ii)
17	Sical Mining Limited	U10300TN2016PLC112461	Subsidiary	100.00%	2 (87) (ii)
18	Sical Iron Ore Terminal Ltd.	U13100TN2006PLC061022	Subsidiary	63.00%	2 (87) (ii)
19	Sical Iron Ore Terminal (Mangalore) Ltd.	U63020TN2009PLC073147	Subsidiary	100.00%	2 (87) (ii)
20	Sical Adams Offshore Ltd.	U63000TN2012PLC087754	Subsidiary	100.00%	2 (87) (ii)
21	Sical Saumya Mining Limited	U74900TN2015PLC101236	Subsidiary	65.00%	2 (87) (ii)
22	Norsea Offshore India Ltd.	U74900TN2009PLC071762	Subsidiary	100.00%	2 (87) (ii)
23	Sical Infra Assets Ltd.	U45203TN2007PLC063432	Subsidiary	53.00%	2 (87) (ii)

S. No.	Name and Address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
24	Sical Bangalore Logistics Park Limited	U63090TN2016PLC110673	Subsidiary	100.00%	2 (87) (ii)
25	Sical Multimodal and Rail Transport Ltd.	U60232TN2007PLC063378	Subsidiary	100.00%	2 (87) (ii)
26	Bergen Offshore Logistics Pte Ltd.	NA	Subsidiary	100.00%	2 (87) (ii)
27	Norsea Global Offshore Pte Limited	NA	Subsidiary	100.00%	2 (87) (ii)
28	Wilderness Resorts Pvt. Ltd.	U55101KA2005PTC035580	Subsidiary	100.00%	2 (87) (ii)
29	Karnataka Wildlife Resorts Pvt. Ltd.	U92199KA2001PTC028981	Subsidiary	100.00%	2 (87) (ii)
30	Magnasoft Consulting India Pvt. Ltd.	U74140KA2000PTC026735	Subsidiary	77.88%	2 (87) (ii)
31	Magnasoft Europe Ltd.	NA	Subsidiary	100.00%	2 (87) (ii)
32	Magnasoft Spatial Services Inc.	NA	Subsidiary	100.00%	2 (87) (ii)
33	Way2Wealth Distributors Pvt. Ltd.	U70101KA2001PTC029910	Subsidiary	100.00%	2 (87) (ii)
34	Way2Wealth Capital Pvt. Ltd.	U65921KA1995PTC018960	Subsidiary	99.99%	2 (87) (ii)
35	Way2Wealth Enterprises Pvt. Ltd.	U65999AP2017PTC106315	Subsidiary	100.00%	2 (87) (ii)
36	Way2Wealth Insurance Brokers Pvt. Ltd.	U66010KA2003PTC032003	Subsidiary	99.99%	2 (87) (ii)
37	Mandi2Market Traders Pvt. Ltd.	U67190KA2007PTC043494	Subsidiary	100.00%	2 (87) (ii)
38	Way2Wealth Brokers Pvt. Ltd.	U67120KA2000PTC027628	Subsidiary	99.99%	2 (87) (ii)
39	Way2Wealth Commodities Pvt. Ltd.	U51229KA2006PTC039880	Subsidiary	99.99%	2 (87) (ii)
40	AlphaGrep Securities Pvt. Ltd.	U66010KA2002PTC029982	Subsidiary	51.00%	2 (87) (ii)
41	AlphaGrep Commodities Pvt. Ltd.	U65999TG2017PTC117172	Subsidiary	100.00%	2 (87) (ii)
42	Way2Wealth Illuminati Pte Ltd.	NA	Subsidiary	100.00%	2 (87) (ii)
43	AlphaGrep Holding HK Ltd.	NA	Subsidiary	100.00%	2 (87) (ii)
44	AlphaGrep UK Limited	NA	Subsidiary	100.00%	2 (87) (ii)
45	Shanghai Dao Ge International Trading Limited	NA	Subsidiary	100.00%	2 (87) (ii)
46	Ittiam Systems Pvt. Ltd.	U72900KA2001PTC028392	Associate*	32.51%	2 (6)
47	Barefoot Resorts and Leisure India Pvt. Ltd.	U55101TN1998PTC040221	Associate*	27.69%	2 (6)
48	Mindtree Ltd	L72200KA1999PLC025564	Associate*	17.11%	2 (6)
49	Coffee Day Schaerer Technologies Private Limited	U29248KA2015FTC084523	Joint Venture#	49%	2(6)
50	PSA Sical Terminals Ltd.	U74999TN1998PLC040682	Joint Venture#	37.50%	2 (6)
51	Sical Sattva Rail Terminal Pvt. Ltd.	U63031TN2000PTC045198	Joint Venture#	50%	2 (6)

** The Companies are the associate of the Subsidiaries and Step Subsidiaries*
The Companies are the Joint Venture of the Subsidiaries & Step Subsidiaries

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

i) Category-wise Share Holding:

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year 2017				No. of Shares held at the end of the year 2018				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	**Promoter and Promoter Group**									
(1)	**Indian**									
(a)	Individuals/ Hindu Undivided Family	72,212,804	-	72,212,804	35.05	77,737,206	-	77,737,206	36.80	1.75
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	36,191,992	-	36,191,992	17.57	36,191,992	-	36,191,992	17.13	(0.44)
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	**108,404,796**	**-**	**108,404,796**	**52.62**	**113,929,198**	**-**	**113,929,198**	**53.93**	**1.31**
(2)	**Foreign**									
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year 2017				No. of Shares held at the end of the year 2018				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**108,404,796**	**-**	**108,404,796**	**52.62**	**113,929,198**	**-**	**113,929,198**	**53.93**	**1.31**
(B)	**Public shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds/ UTI	15,30,733	-	15,30,733	0.74	23,64,773	-	23,64,773	1.12	0.38
(b)	Financial Institutions/ Banks	2,31,781	-	2,31,781	0.11	1,33,125	-	1,33,125	0.06	(0.05)
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Portfolio Investors	11,317,346	-	11,317,346	5.49	12,162,621	-	12,162,621	5.76	0.27
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	**13,079,860**	**-**	**13,079,860**	**6.35**	**14,660,519**	**-**	**14,660,519**	**6.94**	**0.59**
(2)	**Non-institutions**									
(a)	Bodies Corporate	66,980,711	-	66,980,711	32.51	57,914,573	-	57,914,573	27.41	-5.10
(b)	Individuals -									
	(i) Individual shareholders holding nominal share capital up to Rs. 1 lakh.	8,025,658	15	8,025,673	3.90	6,055,422	19	6,055,441	2.87	-1.03

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year 2017				No. of Shares held at the end of the year 2018				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	8,225,391	-	8,225,391	3.99	16,720,405	-	16,720,405	7.91	3.92
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(d)	Any Other (Details)	-	-	-	-	-	-	-	-	-
	NRIs/OCBs	416,061	-	416,061	0.20	771,665	-	771,665	0.37	0.17
	Clearing Member	282,823	-	282,823	0.14	531,027	-	531,027	0.25	0.11
	Hindu Undivided Families	586,404	-	586,404	0.28	668,388	-	668,388	0.32	0.04
	Trusts	-	-	-	-	503	-	503	0.00	0.00
	Sub-Total (B)(2)	**84,517,048**	**15**	**84,517,063**	**41.03**	**82,661,983**	**19**	**82,662,002**	**39.13**	**-1.90**
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**97,596,908**	**15**	**97,596,923**	**47.38**	**97,322,502**	**19**	**97,322,521**	**46.07**	**-1.31**
	TOTAL (A)+(B)	**206,001,704**	**15**	**206,001,719**	**100.00**	**211,251,700**	**19**	**211,251,719**	**100.00**	**-**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	-	-	-	-	-	-	-	-	-
	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
	Public	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C)	**206,001,704**	**15**	**206,001,719**	**100.00**	**211,251,700**	**19**	**211,251,719**	**100.00**	**-**

ii) Shareholding of Promoters and Promoters' Group

S. No.	Shareholder's Name	Shareholding at the beginning of the year 2017			Shareholding at the end of the year 2018			% change in share holding during the year
		No. of Shares	% of total Shares of the Co.(1)	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Co.(2)	% of Shares Pledged / encumbered to total shares	
1	Mr. V. G. Siddhartha	69,174,700	33.58	13.06	69,174,700	32.75	12.66	-0.83
2	Mrs. Malavika Hegde	3,038,104	1.47	0.05	85,62,506	4.05	2.67	2.58
3	Devadarshini Info Technologies Pvt. Ltd.	12,408,440	6.02	6.02	12,408,440	5.87	5.87	-0.15
4	Coffee Day Consolidations Pvt. Ltd.	12,268,416	5.96	5.92	12,268,416	5.81	5.71	-0.16
5	Gonibedu Coffee Estates Pvt. Ltd.	11,071,104	5.37	5.37	11,071,104	5.24	5.24	-0.13
6	Sivan Securities Private Limited	444,032	0.22	0.22	444,032	0.21	0.21	-0.01

(1) Percentage calculated on the Paid-up share capital (206,001,719 shares) at the beginning of the year.
(2) Percentage calculated on the Paid-up share capital (211,251,719 shares) at the beginning of the year.

iii) Change in Promoters'/Promoters Group shareholding

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	**Mrs. Malavika Hegde**				
	At the beginning of the year	**3,038,104**	**1.43**		
	Add: Acquisition of shares on 22.02.2018	*24,402*	*0.01*	3,062,506	1.44
	Add: Acquisition of shares on 26.02.2018	*5,500,000*	*2.60*	8,562,506	4.05
	At the end of the year	**8,562,506**	**4.05**		

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	**NLS MAURITIUS LLC**				
	At the beginning of the year	**22,412,992**	**10.61**		
	Change during the year	*Nil*	*Nil*	22,412,992	10.61
	At the end of the year	**22,412,992**	**10.61**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
2.	**KKR MAURITIUS PE INVESTMENTS II LTD**				
	At the beginning of the year	**21,826,912**	**10.33**		
	Less: Sale of shares on 02.03.2018	*(9,000,000)*	*(4.26)*	12,826,912	6.07
	At the end of the year	**12,826,912**	**6.07**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
3.	**MARINA WEST (SINGAPORE) PTE. LTD.:**				
	At the beginning of the year	**11,402,901**	**5.40**		
	Change during the year	*Nil*	*Nil*	11,402,901	5.40
	At the end of the year	**11,402,901**	**5.40**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
4.	**NANDAN M. NILEKANI**				
	At the beginning of the year	**5,294,106**	**2.51**		
	Add: Acquisition of shares on 29.09.2017	*328,814*	*0.16*	5,622,920	2.67
	Add: Acquisition of shares on 13.10.2017	*19,840*	*0.00*	5,642,760	2.67
	Add: Acquisition of shares on 20.10.2017	*37,368*	*0.02*	5,680,128	2.69
	Add: Acquisition of shares on 27.10.2017	*1,000*	*0.00*	5,681,128	2.69
	At the end of the year	**5,681,128**	**2.69**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
5.	**SUDHIR K. R. (COFFEE WELFARE TRUST)**				
	At the beginning of the year	**Nil**	**Nil**		
	Add: Allotment of shares on 09.11.2017	*5,250,000*	*2.49*	5,250,000	2.49
	At the end of the year	**5,250,000**	**2.49**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
6.	**GOVERNMENT PENSION FUND GLOBAL**				
	At the beginning of the year	**3,750,072**	**1.78**		
	Less: Sale of Shares on 11.08.2017	*(300,072)*	*(0.14)*	3,450,000	(1.64)
	Less: Sale of Shares on 24.11.2017	*(450,000)*	*(0.21)*	3,000,000	(1.43)
	Less: Sale of Shares on 02.02.2018	*(257,101)*	*(0.12)*	2,742,899	(1.31)
	At the end of the year	**2,742,899**	**1.31**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
7.	**MARINA III (SINGAPORE) PTE. LTD.**				
	At the beginning of the year	**2,566,331**	**1.21**		
	Change during the year	*Nil*	*Nil*	2,566,331	1.21
	At the end of the year	**2,566,331**	**1.21**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
8.	**MIRAE ASSET EMERGING BLUECHIP FUND**				
	At the beginning of the year	**Nil**	**Nil**		
	Add: Acquisition of Shares on 29.09.2017	*61,579*	*0.03*	61,579	0.03
	Add: Acquisition of Shares on 20.10.2017	*20,421*	*0.01*	82,000	0.04
	Add: Acquisition of Shares on 17.11.2017	*18,000*	*0.01*	100,000	0.05
	Add: Acquisition of Shares on 01.12.2017	*10,000*	*0.00*	110,000	0.05
	Add: Acquisition of Shares on 08.12.2017	*110,000*	*0.05*	220,000	0.10
	Add: Acquisition of Shares on 15.12.2017	*1,000,273*	*0.47*	1,220,273	0.57
	Add: Acquisition of Shares on 22.12.2017	*263,218*	*0.12*	1,483,491	0.69

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Add: Acquisition of Shares on 29.12.2017	*68,405*	*0.03*	1,551,896	0.72
	Add: Acquisition of Shares on 05.01.2018	*19,000*	*0.01*	1,570,896	0.73
	Add: Acquisition of Shares on 12.01.2018	*643,877*	*0.30*	2,214,773	1.03
	Add: Acquisition of Shares on 26.01.2018	*80,000*	*0.04*	2,294,773	1.07
	Add: Acquisition of Shares on 02.02.2018	*15,000*	*0.01*	2,309,773	1.08
	Add: Acquisition of Shares on 16.03.2018	*40,000*	*0.03*	2,349,773	1.11
	Add: Acquisition of Shares on 31.03.2018	*15,000*	*0.01*	2,364,773	1.12
	At the end of the year	**2,364,773**	**1.12**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
9.	**ICICI LOMBARD GENERAL INSURANCE**				
	At the beginning of the year	**2,100,000**	**0.99**		
	Add: Acquisition of Shares on 29.09.2017	*132,086*	*0.06*	2,232,086	1.05
	At the end of the year	**2,232,086**	**1.05**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
10.	**NATIONAL WESTMINSTER BANK PLC (Trustee of Jupiter India Fund)**				
	At the beginning of the year	**1,729,204**	**0.82**		
	Add: Acquisition of Shares on 07.04.2017	*40,547*	*0.02*	1,769,751	0.84
	Add: Acquisition of Shares on 30.06.2017	*107,250*	*0.05*	1,877,001	0.89
	Add: Acquisition of Shares on 09.02.2018	*16,851*	*0.01*	1,893,852	0.90
	At the end of the year	**1,893,852**	**0.90**		

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	**Mr. V. G. Siddhartha**				
	At the beginning of the year	**69,174,700**	**33.58(1)**		
	Change during the year	*Nil*	*(0.83)*	69,174,700	32.75
	At the end of the year	**69,174,700**	**32.75(2)**		

(1) Percentage calculated on the Paid-up share capital (206,001,719 shares) at the beginning of the year.
(2) Percentage calculated on the Paid-up share capital (211,251,719 shares) at the beginning of the year.

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
2.	**Mrs. Malavika Hegde:**				
	At the beginning of the year	**3,038,104**	**1.43**		
	Add: Acquisition of shares on 22.02.2018	*24,402*	*0.01*	3,062,506	1.44
	Add: Acquisition of shares on 26.02.2018	*5,500,000*	*2.60*	8,562,506	4.05
	At the end of the year	**8,562,506**	**4.05**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
3.	**Mr. R. Ram Mohan:**				
	At the beginning of the year	**585**	**0.00**		
	Add: Acquisition of shares on 29.09.2017	*1*	*0.00*	586	0.00
	At the end of the year	**586**	**0.00**		

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
4.	**Mr. Sadananda Poojary:**				
	At the beginning of the year	**2070**	**0.00**		
	Change during the year	*Nil*	*Nil*	2070	0.00
	At the end of the year	**2070**	**0.00**		

V. INDEBTEDNESS

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

Amount in Millions

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	9605.74	0.00	0.00	9605.74
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	5.47	0.00	0.00	5.47
Total (i+ii+iii)	**9611.21**	**0.00**	**0.00**	**9611.21**
Change in Indebtedness during the financial year				
* Addition	4600.93	0.00	0.00	4600.93
**Reduction	(3822.86)	0.00	0.00	(3822.86)
Net Change	**778.07**	**0.00**	**0.00**	**778.07**
Indebtedness at the end of the financial year				
i) Principal Amount	10389.28	0.00	0.00	10389.28
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	**10389.28**	**0.00**	**0.00**	**10389.28**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Mr. V.G. Siddhartha	Total Amount in Lakhs(Rs.)
	Gross Salary	NIL	
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961		
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961		
2	Stock Options		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify....		
5	Others, please specify		
	i. Deferred bonus (pertaining to the current Financial year payable in 2018)		
	ii. Retirals		
	Total (A)		

B. REMUNERATION TO OTHER DIRECTORS:

1. Independent Directors:

S. No.	Particulars of Remuneration	Name of Directors			Total Amount in Rs.
		Mr. S. V. Ranganath	Mr. Albert Hieronimus	Mr. M D Mallya	
	Fee for attending Board/ Committee Meetings	Rs.100,000 per meeting	Rs.100,000 per meeting	Rs.100,000 per meeting	Rs.21,00,000/- (Rupees Twenty-One Lakhs Only)
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (B)(1)	**Rs. 9,00,000**	**Rs. 9,00,000**	**Rs. 3,00,000**	**Rs. 21,00,000**

2. Non-Executive Directors:

S. No.	Particulars of Remuneration	Name of Directors		Total Amount in Rs.
		Mrs. Malavika Hegde	Mr. Sanjay Nayar	
	Fee for attending Board/ committee Meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (B)(2)	Nil	Nil	Nil
	Total (B)=(B) (1) + (B)(2)			Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S. No.	Particulars of Remuneration	Mr. Sadananda Poojary Company Secretary	Mr. R. Ram Mohan Chief Financial officer	Total Amount in (Rs.)
	Gross Salary			
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	16,58,262	32,95,294	49,53,556
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961			
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961			
2	Stock Options		Nil	
3	Sweat Equity			
4	Commission			
	- as % of profit			
	- others, specify....			
5	Others, please specify			
	Total	**16,58,262**	**32,95,294**	**49,53,556**

VII.PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A.COMPANY					
Penalty	NONE				
Punishment	NONE				
Compounding	N.A	N.A	N.A	N.A	N.A.
B.DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C.OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

Place: Bangalore
Date: 09 August 2018

For and on Behalf of the Board
By Order of the Board
For **Coffee Day Enterprises Limited**

Sd/-
V. G. Siddhartha
Chairman and Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Annexure-7

BUSINESS RESPONSIBILITY REPORT

The Directors present the "Business Responsibility Report" (BRR) of the Company for the financial year ended on 31st March, 2018, Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forming part of the annual report. The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 principles and Core Elements for each of the nine Principles.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY		
S.NO.	PARTICULARS	COMPANY INFORMATION
1.	Corporate Identification Number	L55101KA2008PLC046866
2.	Name of the Company	Coffee Day Enterprises Limited (CDEL)
3.	Registered Office & Corporate Office	23/2, Coffee Day Square, Vittal Mallya Road, Bangalore- 560001
4.	Website	www.coffeeday.com
5.	E-Mail ID	investors@coffeeday.com
6.	Financial Year reported	Year ended on March 31, 2018 (FY 2017-2018)
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Trading of Coffee - 47211 Dividend Income - 64200 Hospitality Services - 55101
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	1. Trading of Coffee 2. Dividend Income 3. Hospitality Services
9.	Total number of locations where business activity is undertaken by the Company	CDEL is the parent company of the Coffee Day Group with a diverse portfolio. The Company as standalone and primarily through its subsidiaries, associates and joint venture companies (together referred to as "the Group", as listed in this annual report) are engaged in business in multiple sectors such as Coffee retail and trading of coffee beans/ exports, Leasing of commercial office space, Financial services, Integrated Multimodal Logistics, Hospitality and Information Technology (IT) / Information Technology Enabled Services (ITeS).
10.	Markets served by the Company	Products and services have national as well as international presence and several Products are exported

SECTION B: FINANCIAL DETAILS OF THE COMPANY		
S.NO.	**PARTICULARS**	**COMPANY INFORMATION**
1.	Paid up Capital as on 31.03.2018	211,251,719 Shares of Rs. 10 each aggregating to Rs. 2,112,517,190
2.	Turnover (Consolidated): Gross Revenue Net Revenue	 Rs. 43,305 Millions Rs. 38,511 Millions
3.	Profit after Tax (Consolidated) attributable to owners :	Rs. 1,063 Million
4.	Total Spending on Corporate Social Responsibility a) In Rs. b) As a percentage of Profit after Tax	Rs. 9,700,000 (By SICAL & group companies) Rs. 5,927,500 (By Way2wealth group companies) Rs. 903,974 (By Tanglin Developments Ltd.) Rs. 5,402,637 (By Coffee Day Global Ltd.) **Rs. 21,934,111** 2% of average net profits of the Company made during the 3 immediately preceding financial years.
5.	List the activities, in which expenditure in 4 above, has been incurred	

Our CSR activities are carried out through the subsidiaries & its group companies (SICAL, Way2Wealth, Tanglin Developments Limited & Coffee Day Global Limited).
Contributions were made towards CSR activities to the below mentioned Foundations/Organizations:

Contribution made to:	Activities
Asiatic Charitable Trust	Vitraag Vigyaan is the parent organization of Asiatic Charitable Trust. Since its inception, the Research Centre has undertaken socio-economic development of the most backward and undeveloped areas in and around Parli (Sudhagadh District) in the fields of Education, Public Health and Women Empowerment. This was initiated in view of the glaring cases of child-labor, early marriage of the girl child, tolerance to unhygienic surroundings and a dearth of education and employment avenues.
Parikrma Humanity Foundation	Parikrma Humanity Foundation offers high quality education, hope and support to thousands of children from four orphanages and over 70 slums in Bangalore city.
Society for Nutrition, Education and Health Action (SNEHA)	A secular, Mumbai based non-profit organization, SNEHA targets four large public health areas - Maternal and Newborn Health, Child Health and Nutrition, Sexual and Reproductive Health and Prevention of Violence against Women and Children.
Organization for Autistic Individuals(OAI), MCGM Welfare Centre	OAI is a registered Charitable Trust under Bombay Public Trusts, Act 1950, established with primary objective of setting up best in class schooling facilities for Individuals who are on the Autism Spectrum Disorder.
Foundation for Spastic and Mentally Handicapped Persons (UDAAN)	UDAAN, Delhi's foremost research based NPO engaged in Training, Rehabilitation and Early Medical Intervention for children with moderate to severe Autism.

Dignity Foundation	Helps senior citizens lead active lives through various productive ageing and social support services.
Centre for Environmental Research and Education, (CERE)	CERE has successfully completed projects pertaining to sustainability and carbon management in both urban and rural India.
SVGHE Education trust	Through SVGH Vocational Training College (VTC) Foundation at Chikmagalur, the Foundation's charter is to promote education to economically underprivileged rural youth and supporting them to be independent, responsible and adaptable to urban environment.
Environmental and Sustainability activities of the Group	Environmental sustainability ecological balance/agro forestry

SECTION C: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. D1. Does the Company have any Subsidiary Company/ Companies?
   Yes. The List of Subsidiaries is given in Form MGT-9 (Extract of Annual return) which is annexed as 'Annexure-6' of the Annual report of the Company
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary Company (ies).
   Yes, most of the BR initiatives of the company happen through the subsidiary companies and its group, operating in different geographies.
3. Do any any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
   Yes. Most of the BR initiatives happen through the subsidiaries, 60% of the associated entities participate in the BR initiatives of the Company.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. Details of Director/Directors responsible for BR:

a. Details of the Director/Directors responsible for implementation of the BR policy/policies

S.No	Particulars	Company Information
1.	DIN	00063987
2.	Name	Mr. V.G. Siddhartha
3.	Designation	Chairman & Managing Director

b. Details of BR head(s)

S.No	Particulars	Company Information
1.	DIN Number (if applicable)	NA
2.	Name	Sadananda Poojary
3.	Designation	Company Secretary & Compliance Officer
4.	Telephone Number	+91 80 40012345
5.	E-Mail ID	investors@coffeeday.com

2. Principle-wise (as per National Voluntary Guidelines (NVGs)) Business Responsibility Policy/policies

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3: Businesses should promote the wellbeing of all employees.
P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5: Businesses should respect and promote human rights.
P6: Businesses should respect, protect, and make efforts to restore the environment.
P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible

manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	The policies confirms to the National & International Standards like ISO 22000, ISO 9000, ILO conventions ratified by our Country and IFC Performance Standards.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Policies mandated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are approved by the Board and other policies are approved by the Managing Director or Functional Heads of the Company as appropriate.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Company has CSR Committee, Audit Committee, Risk Management Committee, Internal Complaints Committee and also adequate internal control systems to oversee the implementation of policies.								
6	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, wherever appropriate								
7	Does the company have in-house structure to implement the policy/ policies?	Yes								
8	Does the Company have a Grievance Redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, wherever appropriate								
9	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes, wherever appropriate								
10	Indicate the link for the policy to be viewed online?	The links to view the policies online are given herein **below***.								

***Link to Company's Policies:**

- Business Responsibility Policy - http://www.coffeeday.com/PDF/BUSINESS%20RESPONSIBILITY%20REPORT%20POLICY.pdf
- CSR Policy - http://www.coffeeday.com/PDF/CSR-Policy-CDEL.pdf
- Whistle Blower Policy - http://www.coffeeday.com/PDF/CDEL-Whistle-Blower-Policy.pdf

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified Principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

GOVERNANCE RELATED TO BUSINESS RESPONSIBILITY (BR)

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.
The BR performance of the Company under various principles is assessed periodically at various Board and Committee meetings.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
The Business Responsibility Report is part of Annual Report, being published by the Company for FY 2017-18. The same will be disclosed on the website of the Company www.coffeeday.com

SECTION E: PRINCIPLE – WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Coffee Day is committed to doing business in an efficient, responsible, honest and ethical manner. Corporate governance practice goes beyond compliance and involves a company-wide commitment, and it has become an integral part of our business to ensure fairness, transparency and integrity of management.

Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No.
Does it extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

The core values of the Company's governance process include independence, integrity, accountability, transparency, responsibility and fairness. The business policies are based on ethical conduct, health, safety and a commitment to building long term sustainable relationships with relevant stakeholders.

The Company follows the principles of Ethics, Transparency and Accountability. Coffee Day firmly believes that good Corporate Governance is a pre-requisite for meeting the needs and aspirations of its shareholders and other stakeholders.

Further, the Company has adopted the Whistleblower Policy to provide a mechanism for employees and directors of the Company to approach the Ethics Committee or Chairman of the Audit Committee and Risk Management Committee of the Company for reporting genuine concerns. The Whistleblower Policy provides a platform for reporting unethical behaviour, fraud and actual or potential violation of the Code.

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the previous fiscal ending March 2018, 100% of minor complaints received from other stakeholders were resolved. Presently no major complaints or issues from employees/other stakeholders are pending.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Coffee Day believes in providing products which are safe for its consumers and achieving growth in a responsible manner.

The company shall raise the consumer's awareness of their rights through education, product labeling, appropriate and helpful marketing communication, full details of contents and composition as per the applicable laws and promotion of safe usage and disposal.

Environment, health and safety continue to be key focus areas and the Company strives to reduce its environmental impact through various initiatives in the field of Energy Efficiency and Conservation.

1) List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   At Coffee Day, we have integrated our Social Responsibility activities into our daily operations. That's why our commercial success is coupled with initiatives that empower communities and protect the environment.

   These initiatives include buying and selling ethically-sourced coffee, educating underprivileged rural youth and forging avenues to employ a number of differently-abled people with us.

2) For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   The Company endeavours to embed the principles of sustainability, as far as practicable, into the various stages of product or service life-cycle, including procurement of raw material/service, processing of product or delivery of service, transportation of raw materials and finished goods, and disposal by consumers.

   The Company has been continuously improving on resource use efficiencies, especially that of common resources such as water and energy.

   The Company's concerted efforts in optimising resource use efficiency and focused energy programs have been established with a view to carry out specific initiatives in the field of Energy Efficiency and Conservation. Various initiatives for conservation of energy and reducing environmental impact are detailed in Principle 6 of this BRR.

3) Does the Company have procedures in place for sustainable sourcing (including transportation)?

   Pertaining to sourcing of coffee beans, we are committed to offer ethically-purchased and responsibly- grown coffee. Majority of our committed suppliers are UTZ certified – a world standard in responsible farming, owing to our efforts in conserving biodiversity and ensuring sustainable livelihoods. The Company endeavours to embed sustainability throughout its supply chain system.

4) Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   The welfare of the coffee farming community is high on our agenda. Our coffees are sourced from thousands of small coffee planters who have made us who we are today, and we are glad to be a part of their lives. We facilitate UTZ and Rainforest certification for our major coffee suppliers' estates. The UTZ Code of Conduct is a recognized global 'decency' standard for coffee and production criteria for socially and environmentally appropriate growing practices and efficient farm management techniques. The Rainforest Alliance works to conserve biodiversity and improve livelihoods by promoting and evaluating the implementation of the most globally respected sustainability standards in a variety of fields which are designed to generate ecological, social and economic benefits.

   While Coffee Day's core competence lies in coffee growing/brewing/serving, increased demand for serving a variety of food items and beverages under the same brand has made it diversify its offerings, including exclusive offerings customised to the needs of various geographic and demographic segments of society. Seasonality in supply and demand, lower shelf life, market dynamics, demand for variety in product and packaging, higher expectations on product quality and delivery, all have added extra dimensions to the challenge, which is effectively handled by its Supply Chain team. We work with vendors extensively to improve capacities and capabilities which results in high standards of food safety.

5) Does the Company have a mechanism to recycle products and waste? If, yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   We strive to foster a socially responsible corporate culture by introducing a balanced approach to business by addressing social and environmental

challenges through required investments, technological upgradation, necessary resource allocation and stakeholder engagements. Coffee Day plays a catalyst role in bringing these changes, step by step.

Below is a snapshot of a few of our activities:

Waste Management by efficient usage of:

- **Coffee byproducts, Husk – around 20-25%** of the input raw coffee is used as energy/raw material in briquettes for manufacturing and other industries, and also in composting.
- **Lamination paper/stickers used in packing materials** – distributed to Government School Children for book binding waste packing material and responsibly disposing Electronic waste.

Principle 3: Businesses should promote the wellbeing of all employees

Coffee Day acknowledges that the employees are its greatest assets and is consistently taking various initiatives, adopting various policies, conducting training programs etc., to enable the employees to feel good, live healthy and work safely.

For the Company, learning and development is a business critical priority for enhancing capability, strengthening the leadership pipeline and fostering employee engagement.

Coffee Day provides a work environment that is free from any discrimination or harassment, promotes health and safety and prohibits using, selling or distributing controlled substances.

The Company believes all employees are important stakeholders in the enterprise and that building a culture of mutual trust, respect, interdependence and meaningful engagement is imperative. As such, it respects the dignity of the individual and the freedom of employees to lawfully organise themselves into interest groups, independent of supervision by the management.

1. Total number of employees : **19,943**
2. Total number of employees hired on temporary/ contractual/casual basis : **6,686**
3. Number of permanent employees with disabilities: **85**
4. Do you have an employee association that is recognized by management : **No**
5. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year: **Nil**
6. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?: **100%**

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

Coffee Day acknowledges that the employees are its greatest assets and is consistently taking various initiatives, adopting various policies, conducting training programmes etc., to enable the employees to feel good, live healthy and work safely.

For the Company, learning and development is a business critical priority for enhancing capability, strengthening the leadership pipeline and fostering employee engagement.

Coffee Day provides a work environment that is free from any discrimination or harassment, promotes health and safety, and prohibits using, selling or distributing controlled substances.

The Company believes all employees are important stakeholders in the enterprise and that building a culture of mutual trust, respect, interdependence and meaningful engagement is imperative. As such, it respects the dignity of the individual and the freedom of employees to lawfully organise themselves into interest groups, independent of supervision by the management.

1. Has the company mapped its internal and external stakeholders?

   Coffee Day has mapped its internal and external stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

   The Company is committed towards proactively engaging with all the employees, business associates, customers and communities who may be disadvantaged, vulnerable or marginalised.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders?

   Coffee Day thinks beyond business and undertakes various initiatives to improve the lives of the lower socioeconomic sections of the society.

   Our social transformation initiatives are led by YUVA, an SVGH Education Trust initiative for Vocational

Training College at Chikmagalur. Over the years, our approach has been to engage in social issues with sensitivity, rigor and responsibility. YUVA lays the platform for Coffee Day's value system with a vision to create an institution which motivates rural youth to find their purpose, realise their potential and become independent and responsible citizens. The Institution's charter is to promote education to economically underprivileged rural youth and support them to be independent, responsible and adaptable to the urban environment. We aim to equip our students with life skills and professional skills which will provide an opportunity for their holistic development. YUVA has trained over 3750 students, many of whom have found employment at your Company outlets across the country. The entire expenses of the course which includes imparting education, providing food and accommodation, uniforms and transport facilities is borne by the promoters.

In our endeavor to embrace Corporate Social Responsibility through the Company's actions on today's youth, CCD has created avenues for youth that empower them to realise their potential, and to move from opportunity anticipated to opportunity realised.

In states like Karnataka, Bihar, Kerala and Odisha, the majority of youth, particularly in villages or rural areas, do not have access to vocational education or employment opportunities. We have been able to empower the youth with tools that lead to self-improvement, increase employability, and also provide job opportunities within the organisation.

We work through a unique partnership model wherein we have established strategic partnerships with the various training bodies, non-governmental organisations and government, and leverage our relationship to provide skill training and employability to the underprivileged. Dr. Reddy's Foundation (PAN India), Gram Tarang Foundation (Odisha), and Sarthak (North India) are our partners who have been instrumental in helping us make a valuable contribution towards the cause.

We have an active association with the Ministry of Rural Development (MoRD) as a champion employer in providing globally relevant employability to rural youth.

Principle 5: Businesses should respect and promote human rights

The company has integrated respect for human rights in its management systems, in particular through assessing and managing human rights impacts of operations, and ensuring all individuals impacted by the business have access to grievance mechanisms.

Coffee Day firmly believes in upholding and promoting human rights. Human Rights are protected under Whistle Blower Policy, Anti-Sexual Harassment Policy, and Employee Welfare Policies.

Grievance Redressal Systems are put in place like Internal Complaints Committee, which resolves the issues reported in an expeditious manner.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

   Code of Business Conduct extends not only to employees of Coffee Day and others who work with, or represent Coffee Day directly or indirectly. Coffee Day's Anti-Sexual Harassment Policy is applicable to all the employees including contractual and also covers trainees, consultants and contractors.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   During the financial year 2017-18, the Company did not receive any complaint with regard to violation of human rights.

Principle 6: Business should respect, protect, and make efforts to restore the environment

Coffee Day understands its responsibility towards environment and has taken various initiatives to reduce its environmental impact. Energy conservation continues to be a priority area of the Company.

Focused energy programs have been established with a view to carry out specific initiatives in the field of Energy Efficiency and Conservation.

During the financial year 2017-18, the Company has taken various initiatives for conservation of energy and reducing its environmental impact, few of which are listed below:

- Energy Management by conducting energy audits and introducing innovative ways of saving power – this includes introducing high end online energy monitoring systems in the majority of outlets, with Internet of Things (IoT) it is possible to remotely monitor and manage energy usage and take timely actions to stop inefficiencies. These initiatives have reduced the energy consumption by 8-9%.

- Installing advanced energy saving gadgets like capacitor banks and indigenised components like

thermo controllers for the ovens and electronic timers to control the Air Conditioners during peak hours of operations.

- In order to continually reduce the Company's environmental footprint, green attributes are integrated in all new outlets and are also being incorporated into existing outlets, during retrofits, by using LED lighting and usage of Bureau of Energy Efficiency's (BEE) star rating equipments
- Introducing eco-friendly paper bags in all the outlets of the Company
- Installation of higher efficiency gas fired burners in the coffee roasting unit

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others.

   The Company has a CSR Policy framework that covers areas of compliance with statutory requirements; the Policy extends to all its subsidiary companies.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage, etc.

   Climate change, global warming and environmental degradation pose unique challenges as well as opportunities for Coffee Day. The Company is continually investing in new technologies, implementing process improvements and innovation to address the global environmental challenges.

3. Does the company identify and assess potential environmental risks? Y/N

   Sustainable development is at the core of the Company's operations which is also outlined in the CSR Policy framework. The Company follows sound environmental management practices across all its business units to assess and address potential environmental risks.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

   While the Company has so far not registered any project related to Clean Development Mechanism, it is continuously endeavouring to identify opportunities to contribute in this regard.

5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   No.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   All applicable statutory requirements are complied within acceptable levels.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   The Company did not receive any show cause/legal notices from CPCB/SPCB which are pending as on end of financial year 2017-18.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company recognises that it operates within the specified legislative and policy frameworks prescribed by the Government, which guide its growth and also provide for certain desirable restrictions and boundaries.

The Company shall perform the function of policy advocacy in a transparent and responsible manner while engaging with all the authorities and shall take into account the Companies as well as the larger national/ industry interest.

1. Is your Company a member of any trade and chamber or association?

   Yes. One subsidiary company (Coffee Day Global Limited) is a member of the Federation of Karnataka Chambers of Commerce and Industry (FKCCI)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

   No

Principle 8: Businesses should support inclusive growth and equitable development

Coffee Day supports the principle of inclusive growth and equitable development through its Corporate Social

Responsibility initiatives and also through its core business.

The company shall make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   The Company undertakes CSR activities in accordance with Schedule VII of the Companies Act, 2013 as per the recommendation of the CSR committee and as per the CSR policy of the company.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation? The programmes/projects are undertaken through in-house team/own foundation/NGO/Government Structures/any other organisation as appropriate.

3. Have you done any impact assessment of your initiative?

   The Company assesses the impact of its CSR Projects and Programs at Board and CSR Committee meetings. An update on the CSR project and programs is placed at the Board and CSR Committee meetings for their review and assessment.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

   Our CSR activities were are out through the subsidiaries & its group companies, (Way2Wealth, Tanglin Developments Limited & Coffee Day Global Limited). Contributions made towards community development projects are detained in "Section B" of this report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   At Coffee Day, the CSR projects and programs are undertaken after identifying the communities that require development. The Company also interacts with the stakeholders to ensure that its projects are being implemented effectively.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

The company shall take into account the overall well-being of the customers and that of society.

Coffee Day's consistent commitment to provide world-class products/services to consumers has made it as one of the most trusted, valuable and popular brands among Indian consumers.

The Company shall ensure that wherever applicable all the information that is statutorily required to be disclosed in relation to its products are disclosed truthfully and factually to the consumers through labeling so that the consumers can exercise their freedom to consume in a responsible manner and exercise due care in utilization of natural resources.

The Company also ensures that the promotion and advertisement of its products/services do not mislead or confuse the customers and other stakeholders. Adequate grievance handling mechanisms are in place to address customer concerns and feedback.

How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**
   During the previous fiscal year ending 31 March 2018, 100% of complaints received from the customers were resolved. Presently, no complaints are pending.
2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**
   Coffee Day is displaying additional product related information, 'Keep your city clean' symbol on take away cups over and above what is mandated as per the laws.
3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**
   No
4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**
   Yes, as part of the consumer complaint handling process, the Company carries out consumer satisfaction studies. Results are shared with the stakeholders for necessary action to improve the process.

Annexure-8

PARTICULAR OF EMPLOYEES, 2017–18

DISCLOSURE OF REMUNERATION 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 remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

S. No.	Requirements	Disclosure	
1.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2017-18	Designation	Ratio
	Mr. V.G. Siddhartha	Chairman & Managing Director	**Nil**
	Mrs. Malavika Hegde	Non-Executive Director	
	Mr. Sanjay Nayar	Non-Executive Director	
2.	The remuneration paid to independent directors were as below:	Designation	
	Mr. S. V. Ranganath	Independent Director	The Independent directors of the Company were in receipt of sitting fees for attending the Board and Committee meetings and are not paid any remuneration. Current sitting fee for attending Board Meetings is Rs 1,00,000/-.
	Dr. Albert Hieronimus	Independent Director	
	Mr. M. D. Mallya	Independent Director	
	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	CFO	Increase of 15% at the group level.
		CS	
		Represents the allocated portion of salary based on time spent.	
3.	The percentage increase in the median remuneration of employees in the financial year	13%	
4.	The number of permanent employees on the rolls of the Company	177	
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The percentage increase in the salary of employees is 13%. The increment given to employees is based on their potential, performance and contribution.	
6.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is affirmed.	

Information as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and forming part of the Directors' Report for the Financial Year ended March 31, 2018

A. Top 10 Employees (in terms of remuneration

Employee Name	Designation in the Company	Qualification	Previous Employer	Total	Designation at Previous Employer	Amount (In Rs.)
Balachandar Natarajan	Group Head – Human Resource	M.S.(Industrial Management)	Strides Acrolabs Limited	29	Chief Human Resource Officer	13,421,701
Ketan Sanghvi	Senior General Manager – Investor Relations	B.Com, PGDM (Finance)	Kotak Mahindra Capital Company Limited	14	Senior Vice President	4,430,873[1]
Philip. T. Athyal	Senior General Manager – Corporate Finance	A.C.A., B.Com	Coffee Day Global Limited	21	Senior General Manager – Corporate Finance	4,230,000
Ganesh Pai	General Manager – Corporate Finance	A.C.A., B.Com	Nvidia Graphics Private Limited	12	Manager – Finance	4,033,805
R. Ram Mohan	Chief Financial Officer	A.C.A., B.Com	Caterpillar India	31	Director	3,295,294[2]
Monica Khanna	General Manager – Human Resource	MBA	Heidrick & Struggles – KMC	17	Director– Human Resource	1,957,537[3]
Sadananda Poojary	Company Secretary and Compliance Officer	F.C.S, I.C.W.A.I, B.Com	K.S.F.C	29	Deputy Manager	1,658,262[4]
Devahuthi V Gangwani	General Manager – Marketing (PR & Communication)	PGD in Mass Communication	Coffee Day Global Limited	15	PR Executive	1,636,034
Ankit Naita	Deputy Manager – Corporate Finance	A.C.A., B.Com	KPMG (India)	5	Consultant	1,294,603
Brian D'cruz	Manager – Resort	Hotel Management/ AHMA	Sujan Luxury	18	Manager – Resort	1,292,614

[1] Resigned w.e.f. 31st December, 2017
[2] Represents the allocated portion of salary based on time spent
[3] Resigned w.e.f. 31st October, 2017
[4] Represents the allocated portion of salary based on time spent

B. Employees drawing a Remuneration of INR 1.02 Crores or above per annum and posted in India:

Employee Name	Designation in the Company	Qualification	Age	Previous Employer	Total Experience (In Yrs.)	Date of Joining	Designation at Previous Employer	Amount (In Rs.)
Balachandar Natarajan	Group Head-Human Resource	M.S.(Industrial Management)	54	Strides Acrolabs Ltd.	29	Jan 21,2012	Chief Human Resource officer	13,421,701



03

FINANCIAL STATEMENTS

Independent Auditor's Report
To the Members of Coffee Day Enterprises Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of Coffee Day Enterprises Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss, the statement of changes in equity and the statement of cash flows for the year then ended, and summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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..

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of

the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We are also responsible to 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2018, its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to 37 to the Statement regarding the scheme of merger ('Scheme') which has been approved by the National Company Law Tribunal (NCLT) vide its order dated 31 August 2017. The Company has given effect to the Scheme from the appointed date specified in the Scheme i.e. 1 August 2016. Considering that the Company has treated the merger as an asset acquisition, the Company should be have accounted for the merger from the date of approval of the scheme as per Ind AS 103 Business Combinations. However, considering that the NCLT has approved the scheme with an appointed date of 1 August 2016, the Company is mandated to account for the merger from such retrospective date.

Our opinion is not modified in respect of the above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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 A, a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, 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), statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;

(d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations on its financial position. Refer note 28 in its the standalone Ind AS financial statements;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Standalone Ind AS financial statements for the year ended 31 March 2017 have been disclosed.

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022
Sd/-
Supreet Sachdev
Partner
Membership number: 205385

Bangalore
17 May 2018

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT

As referred to in our Independent Auditor's Report to the members of Coffee Day Enterprises Limited ('the Company') on the Standalone Ind AS financial statements of the Company for the year ended 31 March 2018, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified every year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the programme, physical verification of fixed assets was carried out during the year and no material discrepancies were noted.

(c) According to the information and explanations given to us and on the basis of our examination of the records, we have verified the lease agreement which is in the name of the Company for the land taken on lease (for construction of building) duly registered with the appropriate authority.

(ii) According to the information and explanations given to us and on the basis of our examination of the records, the inventories of coffee beans have been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies identified on physical verification of inventories between physical stocks and book records were not material. However, there is no physical inventory as at the year end.

(iii) According to the information and explanations given to us and on the basis of our examination of the records, the Company has granted unsecured loans to two wholly owned subsidiary Companies covered in the register maintained under Section 189 of the Act and;

(a) In our opinion, the rate of interest and other terms and conditions on which loans had been granted to the wholly owned subsidiaries listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.

(b) In case of loans granted to the wholly owned subsidiaries listed in the register maintained under Section 189 of the Act, the loans and interest are repayable on demand. According to the information and explanation given to us, the borrowers have been regular in the repayment of the principal amount.

(c) There are no overdue amounts in respect of the loan granted to the wholly owned subsidiaries listed in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act with respect to loans advanced and investments made and securities and guarantees given.

(v) The Company has not accepted any deposits from the public.

(vi) According to the information and explanation given to us, the Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered and goods sold by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Service tax, Sales-tax, Value added tax, Income tax dues, Goods and Service tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Duty of Customs, Duty of Excise and Cess during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Sales-tax, Value added tax, Goods and Service tax, Income tax, Service tax and other material statutory dues were in arrears, as at 31 March 2018, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Sales-tax, Value added tax, Income tax, Service tax, Goods and Service tax and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Duty of Customs, Duty of Excise and Cess during the year. The Company, however, disputes the following income-tax which are as follows:

Name of the Statute	Nature of the dues	Amount (Rs in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax and interest	46.37	AY 2011 – 12	Commissioner of Income Taxes (Appeals), Bangalore

(viii) According to the information and explanations given to us and on the basis of our examination of the records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company were applied for the purposes for which they were raised.

(ix) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(x) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not paid any Managerial Remuneration during the year. Accordingly, paragraph 3(xi) of this Order is not applicable.

(xi) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, and based on an examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiii) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xiv) According to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or person connected with him as referred to in Section 192 of Companies Act 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W / W-100022

Sd/-
Supreet Sachdev
Partner
Membership number: 205385

Bangalore
17 May 2018

Annexure – B
to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Coffee Day Enterprises Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the

degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W / W-100022

Sd/-
Supreet Sachdev
Partner
Membership number: 205385

Bangalore
Date: 17 May 2018

CDEL STANDALONE FINANCIALS 31 MARCH 2018

COFFEE DAY ENTERPRISES LIMITED

Balance sheet

Rs in million

	Note	" As at 31 March 2018 "	" As at 31 March 2017 "
ASSETS			
Non-current assets			
Property, plant and equipment	4	51.49	54.28
Intangible assets	5	-	0.07
Investment in subsidiaries and associate	6	21,315.06	21,305.34
Financial assets			
(I) Loans	7-A	6.81	6.81
(II) Other financial assets	9-A	32.50	-
Other tax assets	8	33.61	30.21
Other assets	10-A	0.02	2.24
Total non-current assets		21,439.49	21,398.95
Current assets			
Financial assets			
(I) Trade receivables	11	39.42	286.04
(II) Cash and cash equivalents	12	13.89	8.31
(III) Bank balances other than cash and cash equivalents	13	195.53	203.30
(IV) Loans	7-B	7,514.83	7,143.94
(V) Other financial assets	9-B	0.07	0.08
Other assets	10-B	0.28	0.34
Total current assets		7,764.02	7,642.01
TOTAL ASSETS		29,203.51	29,040.96
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	2,112.52	2,060.02
Shares to be issued pursuant to merger	38	-	1,286.83
Other equity	15	16,647.41	16,027.82
Total equity		18,759.93	19,374.67

Non-current liabilities			
Financial liabilities			
Borrowings	16	5,573.22	7,204.22
Provision	17	8.32	5.36
Total non-current liabilities		5,581.54	7,209.58
Current liabilities			
Financial liabilities			
(I) Trade payables			
Total outstanding dues to micro enterprises and small enterprises	18	-	-
Total outstanding dues other than to micro enterprises and small enterprises		9.72	6.69
(II) Other financial liabilities (other than those specified above)	19-B	4,843.69	2,433.80
Other current liabilities	20	8.63	16.22
Total current liabilities		4,862.04	2,456.71
TOTAL EQUITY AND LIABILITIES		29,203.51	29,040.96
Significant accounting policies	3		

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

for and on behalf of the Board of Directors of
Coffee Day Enterprises Limited

Sd/-
Supreet Sachdev
Partner
Membership no.: 205385

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
R Ram Mohan
Chief Financial Officer

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

Place: Bangalore
Date: 17 May 2018

Place: Bangalore
Date: 17 May 2018

Coffee Day Enterprises Limited

Statement of profit and loss

Rs in million

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from operations	21	1,403.06	964.59
Other income	22	17.12	19.18
Total income		**1,420.18**	**983.77**
Expenses			
Purchase of stock in trade		611.49	393.15
Employee benefits expense	23	76.93	67.02
Finance costs	24	1,257.28	1,225.16
Depreciation and amortization expense	25	4.44	5.05
Other expenses	26	84.95	89.17
Total expenses		**2,035.09**	**1,779.55**
Loss before tax		**(614.91)**	**(795.78)**
Tax expense	27	-	-
Loss for the period		(614.91)	(795.78)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plan		0.17	0.38
		0.17	0.38
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the period		**0.17**	**0.38**
Total Comprehensive Income for the period		**(614.74)**	**(795.40)**

Rs in million

	Note	For the year ended 31 March 2018	For the year ended 31 March 201
Earnings per equity share:			
- Basic	30	(2.91)	(3.80)
- Diluted		(2.91)	(3.80)
Significant accounting policies	3		

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership no.: 205385

Place: Bangalore
Date: 17 May 2018

for and on behalf of the Board of Directors of
Coffee Day Enterprises Limited

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
R Ram Mohan
Chief Financial Officer

Place: Bangalore
Date: 17 May 2018

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

Coffee Day Enterprises Limited

Statement of Cash Flow

Rs in million

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flows from operating activities		
Loss for the year	(614.91)	(795.78)
Adjustments for:		
- Interest income on bank deposits	(14.46)	(10.82)
- Remeasuremets of acturial gain and losses	0.17	0.38
- Interest expense	1,257.28	1,225.16
- Financial guarantee obligation income	(11.92)	(5.35)
- Depreciation and amortization	4.44	5.05
Operating cash flow before working capital changes	620.60	418.64
Changes in		
- Trade receivables	246.62	(252.26)
- Other current and non-current assets	2.28	(0.31)
- Provisions	2.96	0.53
-Trade payables and other current and non current financial liabilities	0.68	(69.33)
- Other current and non-current liabilities	(7.59)	(3.16)
Cash generated from operations	244.95	(324.53)
Income taxes paid	(3.40)	(0.12)
Cash generated from operations [A]	862.15	93.99
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangibles	(1.68)	(2.30)
Investment in fixed deposits	(24.73)	(73.29)
Net cash generated used in investing activities [B]	(26.41)	(75.59)
Cash flows from financing activities		
Proceeds from long term borrowings	2,150.00	1,000.00
Redemption of debentures including premium	(3,817.39)	(2,164.67)

Rs in million

	For the year ended 31 March 2018	For the year ended 31 March 2017
Proceeds from issue of debentures	2,350.00	3,800.00
Interest received	14.47	11.33
Interest paid	(1,156.35)	(1,180.80)
Loans given to related parties	(10,168.04)	(11,749.61)
Loans recovered from related parties	9,797.15	9,793.42
Net cash used in from financing activities [C]	(830.16)	(490.33)
Net increase/ (decrease) in cash and cash equivalents [A+B+C]	5.58	(471.93)
Cash and cash equivalents at the beginning of the year	8.31	480.24
Cash and cash equivalents at the end of the year (refer note 12)	13.89	8.31

The notes referred to above form an integral part of the standalone financial statements
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership no.: 205385

Place: Bangalore
Date: 17 May 2018

for and on behalf of the Board of Directors of
Coffee Day Enterprises Limited

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
R Ram Mohan
Chief Financial Officer

Place: Bangalore
Date: 17 May 2018

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

Coffee Day Enterprises Limited

Statement of Changes in Equity

a. Equity share capital

Rs in million

Particulars	Notes	Total
Balance as at 31 March 2016		2,060.02
Changes in equity share capital during 2016-17	14	-
Balance as at 31 March 2017		2,060.02
Changes in equity share capital during 2017-18	14	52.50
Balance as at 31 March 2018		2,112.52

b. Other Equity

For the year ended 31 March 2018

Rs in million

Particulars	Reserves and Surplus		OCI -	Total
	Securities Premium	Retained Earnings	Remeasuremets of Acturial gain and losses	
Balance as at 1 April 2017	21,664.51	(5,637.03)	0.34	16,027.82
Total comprehensive income for the year ended 31 March 2018				
Premium received on issue of equity shares	1,234.33	-	-	1,234.33
Loss during the year	-	(614.91)	-	(614.91)
Other comprehensive income (Refer note 38)	-	-	0.17	0.17
Total comprehensive income	22,898.84	(6,251.94)	0.51	16,647.41
Balance as at 31 March 2018	22,898.84	(6,251.94)	0.51	16,647.41

For the year ended 31 March 2017

Rs in million

Particulars	Reserves and Surplus		OCI -	Total
	Securities Premium	Retained Earnings	Remeasuremets of Acturial gain and losses	
Balance as at 1 April 2016	21,664.51	(4,841.25)	(0.04)	16,823.22
Total comprehensive income for the year ended 31 March 2017				
Loss during the year	-	(795.78)	-	(795.78)
Other comprehensive income (Refer note 38)	-	-	0.38	0.38
Total comprehensive income	21,664.51	(5,637.03)	0.34	16,027.82
Balance as at 31 March 2017	21,664.51	(5,637.03)	0.34	16,027.82

Significant accounting policies 3

The notes referred to above form an integral part of the standalone financial statements
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership no.: 205385

Place: Bangalore
Date: 17 May 2018

for and on behalf of the Board of Directors of
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Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
R Ram Mohan
Chief Financial Officer

Place: Bangalore
Date: 17 May 2018

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

COFFEE DAY ENTERPRISES LIMITED

Notes to the Financial Statements

1. REPORTING ENTITY

Coffee Day Enterprises Limited ('CDEL' or 'the Company') was originally incorporated as a private limited Company under the Companies Act, 1956 on 20 June 2008 by conversion of erstwhile partnership firm M/s Coffee Day Holding Co. The registered office of the Company is located in Bangalore, India. The Company converted into a public Company during the year 2014-15. The Company undertook an Initial Public Offer of equity shares and subsequently got its equity shares listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) effective 2 November 2015.
"CDEL is the parent Company of the Coffee Day Group. The Company owns and operates a resort and also renders consultancy services. The Company is also engaged in purchase and sale of coffee beans.
The Company, primarily through its subsidiaries, associates and joint venture companies as detailed below are engaged in business in multiple sectors such as Coffee-retail and exports, Leasing of commercial office space, Financial services, Integrated Multimodal Logistics, Hospitality and Information Technology (IT) / Information Technology Enabled Services (ITeS)."

List of subsidiaries with percentage holding –

Name of the entity	Country of incorporation and other particulars	Percentage of holding (%)
DIRECT SUBSIDIARIES		
Coffee Day Global Limited (erstwhile Amalgamated Bean Coffee Trading Company Limited) ('CDGL')	a subsidiary of the Company incorporated under the laws of India	89.94
Tanglin Developments Limited ('TDL')	a subsidiary of the Company incorporated under the laws of India	100.00
Coffee Day Hotels and Resorts Private Limited ('CDHRPL')	a subsidiary of the Company incorporated under the laws of India	100.00
Coffee Day Trading Limited (erstwhile Global Technology Ventures Limited) ('CDTL')	a subsidiary of the Company incorporated under the laws of India	88.77
STEP-DOWN SUBSIDIARIES		
Way2Wealth Securities Private Limited ('WSPL')	a subsidiary of the Company and TDL incorporated under the laws of India	85.53
A.N Coffeeday International Limited('AN CCD')	a subsidiary of CDGL incorporated under the laws of Cyprus	100.00
Classic Coffee Curing Works	a partnership firm with CDGL as a controlling partner having a share of profit of 100%, registered under the laws of India	100.00
Coffeelab Limited	a subsidiary of AHL incorporated under the laws of India	100.00
Coffee Day Gastronomie Und Kaffeehandles GmbH	a subsidiary of AN CCD incorporated under the laws of Austria	100.00
Coffee Day CZ a.s	a subsidiary of AN CCD incorporated under the laws of Czech Republic	100.00
Tanglin Retail Reality Developments Private Limited ('TRR')	a subsidiary of TDL incorporated under the laws of India	100.00
Sical Logistics Limited ('SL')	a subsidiary of TRR incorporated under the laws of India	52.83
PNX Logistics Private Limited	a subsidiary of SL incorporated under the laws of India	60

Name of the entity	Country of incorporation and other particulars	Percentage of holding (%)
Develecto Mining Limited	a subsidiary of SL incorporated under the laws of India	51
PAT Chems Private Limited	a subsidiary of SL incorporated under the laws of India	51
Sical Infra Assets Limited ('SIAL')	a subsidiary of SL incorporated under the laws of India	53.00
Sical Iron Ore Terminal Limited	a subsidiary of SL incorporated under the laws of India	63.00
Sical Iron Ore Terminal (Mangalore) Limited	a subsidiary of SL incorporated under the laws of India	100.00
Norsea Offshore India Limited	a subsidiary of SL incorporated under the laws of India	100.00
Sical Mining Limted	a subsidiary of SL incorporated under the laws of India	100.00
Sical Saumya Mining Limited	a subsidiary of SL incorporated under the laws of India	65.00
Sical Bangalore Logistics Park Limited	a subsidiary of SIAL incorporated under the laws of India	100.00
Sical Adams Offshore Limited	a subsidiary of SL incorporated under the laws of India	100.00
Bergen Offshore Logistics Pte. Limited ('BOFL')	a subsidiary of SL incorporated under the laws of Singapore	100.00
Norsea Global Offshore Pte Ltd	a subsidiary of BOFL incorporated under the laws of Singapore	100.00
Sical Multimodal and Rail Transport Limited ('SMART')	a subsidiary of SIAL incorporated under the laws of India	100.00
Girividyuth India Limited	a subsidiary of TDL incorporated under the laws of India	100.00
Wilderness Resorts Private Limited ('WRPL')	a subsidiary of CDHRPL incorporated under the laws of India	100
Karnataka Wildlife Resorts Private Limited	a subsidiary of WRPL incorporated under the laws of India	100.00
Mandi2Market Traders Private Limited (erstwhile Way2Wealth Institutional Broking Private Limited / erstwhile Way2Wealth Insurance Broking Private Limited)	a subsidiary of WSPL incorporated under the laws of India	100.00
Way2Wealth Capital Private Limited	a subsidiary of WSPL incorporated under the laws of India	99.99
Way2Wealth Enterprises Private Limited	a subsidiary of WSPL incorporated under the laws of India	100
Shanghai Dao Ge International Trading Limited	a subsidiary of WSPL incorporated under the laws of China	100
Way2Wealth Brokers Private Limited ('WBPL')	a subsidiary of WSPL incorporated under the laws of India	99.99

Name of the entity	Country of incorporation and other particulars	Percentage of holding (%)
Way2Wealth Insurance Brokers Private Limited (erstwhile Total Insurance Brokers Private Limited)	a subsidiary of WSPL incorporated under the laws of India	99.99
AlphaGrep Securities Private Limited (erstwhile Way2Wealth Illuminati Securities Private Limited)	a subsidiary of WSPL incorporated under the laws of India	51.00
AlphaGrep Commodities Private Limited	a subsidiary of WSPL incorporated under the laws of India	100.00
Way2Wealth Distributors Private Limited	a subsidiary of WSPL incorporated under the laws of India	100
Way2Wealth Commodities Private Limited	a subsidiary of WBPL incorporated under the laws of India	99.99
Way2Wealth Illuminati Pte. Limited ('W2WIP')	a subsidiary of WBPL incorporated under the laws of Singapore	100.00
AlphaGrep Holding HK Limited ('AHHKL')	a subsidiary of W2WIP incorporated under the laws of Hong Kong	100.00
AlphaGrep UK Limited	a subsidiary of W2WIP incorporated under the laws of UK	100
Magnasoft Consulting India Private Limited ('MCIPL')	a subsidiary of CDTL incorporated under the laws of India	77.88
Magnasoft Europe Limited	a subsidiary of MCIPL incorporated under the laws of United Kingdom	100.00
Magnasoft Spatial Services Inc.	a subsidiary of MCIPL incorporated under the laws of Denver	100.00
ASSOCIATES		
Ittiam Systems Private Limited	an associate of TDL incorporated under the laws of India	32.51
Mindtree Limited	an associate of the Company and CDTL incorporated under the laws of India	16.38
Barefoot Resorts and Leisure India Private Limited	an associate of CDHRPL incorporated under the laws of India	27.69
Global Edge Software Limited (until 25 September 2017)	an associate of CDTL incorporated under the laws of India	26.50
JOINT VENTURES		
Coffee Day Schaerer Technologies Private Limited ('CDSTPL')	a joint venture of CDGL incorporated under the laws of India	49.00
PSA Sical Terminals Limited	a joint venture of SL incorporated under the laws of India	37.50
Sical Sattva Rail Terminal Private Limited	a joint venture of SMART incorporated under the laws of India	50.00

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act 2013, (the 'Act') and other relevant provisions of the Act.
Details of the Company's accounting policies are included in note 3.

2.2 Functional and Presentation Currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

2.3 Current versus Non-current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
  All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

  The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations.

2.5 Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind ASs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2018 is included in the following notes:

- Note 27 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 34 – measurement of defined benefit obligations: key actuarial assumptions;
- Notes 28 – recognition and measurement of contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 35 – impairment of financial assets.

2.6 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Company has an established control framework with respect to the measurement of fair values. The Company engages with external valuers for measurement of fair values in the absence of quoted prices in active markets.

Significant valuation issues are reported to the Company's audit committee. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Financial instruments (note 36)
- Disclosures for valuation methods, significant estimates and assumptions (note 36)
- Quantitative disclosures of fair value measurement hierarchy (note 36)

- Financial instruments (including those carried at amortised cost) (note 36)

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, Plant and Equipment and Other Intangible Assets (other than goodwill)

Property, plant and equipment

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, 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 any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method ('SLM') over estimated useful life of the fixed assets estimated by the Management. The Management believes that the useful lives as given below best represent the period over which management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/ sold during a period is proportionately charged. The Company estimates the useful lives for fixed assets as follows:

Asset category	Estimated useful life
Leasehold improvements	Lease term or estimated useful life, whichever is lower
Plant and machinery	8 years
Office equipment	6 years
Computers (including software)	2 years
Furniture and fixtures	8 years
Vehicles	6 years

The building built on leasehold land is classified as building and amortised over the lease term (i.e 22 years) or the useful life of the building (i.e 20 years), whichever is lower.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

The Company only has software as an intangible asset having a useful life of 3 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

3.2 Impairment of Assets

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and

- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;

- a breach of contract such as a default or being past due for 90 days or more;

- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;

- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or

- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial

asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

- the financial asset is 90 days or more past due.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). Presentation of allowance for expected credit losses in the balance sheet Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

The Company's non-financial assets and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset)."

3.3 Inventories

Inventories are valued at the lower of cost and net realizable value. 'Cost' comprises purchase cost and all expenses incurred in bringing the inventory to its present location and condition. Cost has been determined as follows:

Nature of inventory	Method of valuation
Raw materials	FIFO, landed cost

The comparison of cost and net realizable value is made on an item by item basis. The Company periodically assesses the inventory for obsolescence and slow moving stocks.

3.4 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, inclusive of excise duty and net of taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Company derives its revenue primarily from running and/or managing hotels and resorts, sale of coffee beans and providing consultancy services.Service income is recognized when the related services are rendered unless significant future contingencies exist. Revenue from sale of coffee beans is recognised on transfer of all significant risk and rewards of ownership to the buyer. Sales are disclosed net of sales tax, services tax, trade discount and quality claims.

Interest on the deployment of funds is recognised using the effective interest rate method. Advances received from the customers are reported as liabilities until all conditions for revenue recognition are met and is recognized as revenue once the related services are rendered. Dividend income is recognised when the Company's right to receive dividend is established."

3.5 Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and

rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding 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 profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

3.6 Investments and Other Financial Assets

A. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

B. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

"At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis. All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.
Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

C. Derecognition of financial assets

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

3.7 Employee Benefits

Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

3.8 Foreign Currency Transactions

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR).

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

3.9. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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.

3.10 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3.11 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of

an outflow with respect to any one item included in the same class of obligations may be small.
Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. 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.
The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

3.12 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

3.13 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.
Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

3.14 Earnings per Share

The basic loss per share is computed by dividing the net profit/ (loss) attributable to owner's of the Company for the year by the weighted average number of equity shares outstanding during reporting period.
The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

3.15. Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.16. Recent Accounting Pronouncements

Notification of 'Ind AS 115 - Revenue from Contracts with Customers

"Ind AS 115, establishes a comprehensive framework for determining whether, how much and when revenue should be recognised. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and Guidance Note on Accounting for Real Estate Transactions. Ind AS 115 is effective for annual periods beginning on or after 1 April 2018 and will be applied accordingly. The Company has completed an initial assessment of the potential impact of the adoption of Ind AS 115 on accounting policies followed in its standalone financial statements. The quantitative impact of adoption of Ind AS 115 on the standalone financial statements in the period of initial application is not reasonably estimable as at present.
The Company plans to apply Ind AS 115 using the cumulative effect method , with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 April 2018) in retained earnings. As a result, the Company will not present relevant individual line items appearing under comparative period presentation. "

Amendment to Ind AS 21 The Effects of Changes in Foreign Exchange Rates

"On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21.
Appendix B to Ind AS 21 applies when:

a. Pays or receives consideration denominated or priced in a foreign currency and
b. Recognises a non-monetary prepayment asset or deferred income liability – e.g. non-refundable advance consideration before recognising the related item at a later date.

- Date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.
- If there are multiple payments or receipts in advance, the entity should determine a date of the transaction for each payment or receipt of advance consideration.

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material."

Amendment to Ind AS 12 Income tax

- Decreases below cost in the carrying amount of a fixed-rate debt instrument measured at fair value for which the tax base remains at cost give rise to a deductible temporary difference. This applies irrespective of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use, i.e. continuing to hold it, or whether it is probable that the issuer will pay all the contractual cash flows.
- The amendment explains that determining temporary differences and estimating probable future taxable profit against which deductible temporary differences are assessed for utilisation are two separate steps.
- Carrying amount of an asset is relevant only to determining temporary differences. It does not limit the estimation of probable future taxable profit.

The amendment will come into force from 1 April 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material."

4 PROPERTY, PLANT AND EQUIPMENT

	Owned						*Rs in million*
	Buildings*	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	Total
Cost or deemed cost							
Balance as at 1 April 2016	54.65	5.25	1.61	4.87	1.26	0.25	67.89
Additions	0.20	1.45	0.09	0.30	0.11	0.02	2.17
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2017	**54.85**	**6.70**	**1.70**	**5.17**	**1.37**	**0.27**	**70.06**
Balance as at 1 April 2017	54.85	6.70	1.70	5.17	1.37	0.27	70.06
Additions	-	0.86	0.10	0.25	0.34	0.03	1.58
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2018	**54.85**	**7.56**	**1.80**	**5.42**	**1.71**	**0.30**	**71.64**
Accumulated depreciation:							
Balance as at 1 April 2016	3.36	2.47	1.11	2.45	1.26	0.13	10.78
Depreciation for the year	3.39	0.78	0.26	0.41	0.11	0.05	5.00
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2017	**6.75**	**3.25**	**1.37**	**2.86**	**1.37**	**0.18**	**15.78**
Balance as at 1 April 2017	6.75	3.25	1.37	2.86	1.37	0.18	15.78
Depreciation for the year	2.57	0.91	0.16	0.49	0.19	0.05	4.37
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2018	**9.32**	**4.16**	**1.53**	**3.35**	**1.56**	**0.23**	**20.15**
Carrying amounts (net):							
As at 31 March 2017	**48.10**	**3.45**	**0.33**	**2.31**	**-**	**0.09**	**54.28**
As at 31 March 2018	**45.53**	**3.40**	**0.27**	**2.07**	**0.15**	**0.07**	**51.49**

**Represents building constructed on leasehold land*

"Significant estimates

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life, if any. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology."

5 INTANGIBLE ASSETS

Rs in million

	Software	Total
Cost		
Balance as at 1 April 2016	0.33	0.33
Additions	0.03	0.03
Disposals	-	-
Balance as at 31 March 2017	**0.36**	**0.36**
Balance as at 1 April 2017	0.36	0.36
Additions	-	-
Disposals	-	-
Balance as at 31 March 2018	**0.36**	**0.36**
Accumulated amortisation		
Balance as at 1 April 2016	0.24	0.24
Amortisation for the year	0.05	0.05
Disposals	-	-
Balance as at 31 March 2017	**0.29**	**0.29**
Balance as at 1 April 2017	0.29	0.29
Amortisation for the year	0.07	0.07
Disposals	-	-
Balance as at 31 March 2018	**0.36**	**0.36**
Carrying amount:		
As at 31 March 2017	**0.07**	**0.07**
As at 31 March 2018	**-**	**-**

6 INVESTMENT IN SUBSIDIARIES AND ASSOCIATE

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Investments accounted at cost		
Trade investment - unquoted		
Investment in debentures		
- in subsidiaries		
41,000,000 (31 March 2017: 41,000,000) debentures of Coffee Day Global Limited [Refer note 6(a)]	4,100.00	4,100.00
Investment in equity instruments		
- in subsidiaries		
11,223,980 (31 March 2017: 11,223,980) equity shares of Coffee Day Hotels and Resorts Private Limited	706.68	706.68
5,131,651 (31 March 2017: 5,131,651) equity shares of Tanglin Developments Limited	818.93	809.21
153,371,342 (31 March 2017: 153,371,342) equity shares of Coffee Day Global Limited	11,665.48	11,665.48
30,922,186 (31 March 2017: 30,922,186) equity shares of Coffee Day Trading Limited	1,353.72	1,353.72
77,729,800 (31 March 2017: 77,729,800) equity shares of Way2Wealth Securities Private Limited	723.78	723.78
Trade investment - quoted		
Investment in equity instruments		
- in associates		
17,461,768 (31 March 2017: 17,461,768) equity shares of Mindtree Limited	1,946.47	1,946.47
	21,315.06	21,305.34

(a) 0.01% Unsecured compulsorily convertible debentures issued by Coffee Day Global Limited -

- As at the year end, the paid up value of these debentures is Rs. 4,100 million [i.e., 41,000,000 unsecured rated compulsorily convertible debentures of Rs.100 each (31 March 2017: 41,000,000)]
- These debentures carry an interest rate of 0.01% payable annually
- These debentures shall be converted into 18,755,822 equity shares having a par value of Re 1 each after 4 years and 9 months from the date of issue

Aggregate book value of quoted investments	1,946.47	1,946.47
Aggregate market value of quoted investments	13,479.61	7,899.70
Aggregate value of unquoted investments	19,368.59	19,358.87
Aggregate amount of impairment in the value of investments	-	-

7 LOANS

A Non-current loans

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Unsecured, considered good		
Loans and advance to employees	4.00	4.00
Security deposit	2.81	2.81
Loans to related parties		
Loans to wholly owned subsidiary companies (Refer note 33)	-	-
	6.81	6.81

B Current loans

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Unsecured, considered good		
Loans to employees	0.04	0.05
Loans to related parties		
Loans to wholly owned subsidiary companies (Refer note 33)	7,514.79	7,143.89
	7,514.83	7,143.94

8 OTHER TAX ASSETS

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Advance tax including tax deducted at source, net of provision for tax	32.04	26.91
Balance with government authorities	1.57	3.30
	33.61	30.21

9 OTHER FINANCIAL ASSETS

A. Other non-current financial assets

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Fixed deposit accounts with banks*	32.50	-
	32.50	-

**represents balances held as security for loan availed by the Company.*

B Other current financial assets

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Interest accrued but not due	0.07	0.08
	0.07	0.08

10 OTHER ASSETS

A. Other non-current assets

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Prepaid expenses	0.02	2.24
	0.02	2.24

B. Other current assets

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Prepaid expenses	0.28	0.34
	0.28	0.34

11 Trade receivables

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Unsecured, considered good		
Trade receivables	39.42	286.04
	39.42	286.04
Non-current	-	-
Current	39.42	286.04
	39.42	286.04

Of the above trade receivables from related parties are as below:

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Unsecured, considered good		
Trade receivables from related parties (Refer note 33)	36.12	286.04
	36.12	286.04

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 36

12 CASH AND CASH EQUIVALENTS

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Balances with banks		
- in current accounts	13.83	8.31
Cash on hand	0.06	-
	13.89	8.31

13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Fixed deposit accounts with banks*	195.53	203.30
	195.53	203.30

**represents balances held as security for loan availed by the Company.*

14 Equity share capital

Rs in million

Particulars	" As at 31 March 2018 "	" As at 31 March 2017 "
Authorised		
270,834,000 (31 March 2017: 270,584,000) equity shares of Rs 10 each	2,708.34	2,705.84
3,500,000 (31 March 2017: 3,500,000) compulsorily convertible preference shares of Rs.10 each	35.00	35.00
	2,743.34	2,740.84
Issued, subscribed and fully paid up		
211,251,719 (31 March 2017: 206,001,719) equity shares of Rs 10 each.	2,112.52	2,060.02
	2,112.52	2,060.02

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year is as given below:

Rs in million

(except share data)

	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount	No of shares	Amount
Number of shares outstanding at the beginning of the year	206,001,719	2,060.02	206,001,719	2,060.02
Add: Shares issued during the year	5,250,000	52.50	-	-
Number of shares outstanding at the end of the year	**211,251,719**	**2,112.52**	**206,001,719**	**2,060.02**

(b). The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

Equity shares

"The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time, subject to preferential right of preference shareholders to payment of dividend. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid.

Failure to pay any amount called up on shares may lead to their forfeiture. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held."

(c) Equity shareholders holding more than 5% of equity shares along with the number of equity shares held at the beginning and at the end of the year is as given below:

Name of the shareholder	1As at 31 March 2018		1As at 31 March 2017	
	% of holding	No of shares	% of holding	No of shares
Equity shares				
Mr. V G Siddhartha	32.75%	69,174,700	33.58%	69,174,700
KKR Mauritius PE Investments II Limited	6.07%	12,826,912	10.60%	21,826,912
NLS Mauritius LLC	10.61%	22,412,992	10.88%	22,412,992
Devadarshini Info Technologies Private Limited	5.87%	12,408,440	6.02%	2,408,440
Coffeeday Consolidations Private Limited	5.81%	12,268,416	5.96%	12,268,416
Marina West (Singapore) Pte. Ltd.	5.40%	11,402,901	5.54%	11,402,901
Gonibedu Coffee Estates Private Limited	5.24%	11,071,104	5.37%	11,071,104

15 OTHER EQUITY

Rs in million

Particulars	" As at 31 March 2018 "	" As at 31 March 2017 "
Securities premium		
At the commencement of the year	21,664.51	21,664.51
Add: Premium received on issue of equity shares [Refer note38]	1,234.33	-
At the close of the year	22,898.84	21,664.51
Retained losses		
At the commencement of the year	(5,637.03)	(4,841.25)
Add: Net loss for the year	(614.91)	(795.78)
At the end of the year	(6,251.94)	(5,637.03)
Remeasurement of defined benefit asset/(liability):		
At the commencement of the year	0.34	(0.04)
Add: acturial gain for the year	0.17	0.38
	0.51	0.34
	16,647.41	16,027.82

Nature and purpose of other reserves:

Securities premium:

Securities premium reserve is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of sec 52(2) of Companies Act, 2013.

Remeasurement of defined benefit (liability)/ asset:

Remeasurements of defined benefit (liability)/ asset comprises actuarial gains and losses and return on plan assets (excluding interest income).

Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit/(loss) after tax is transferred from the statement of profit and loss to the retained earnings account.

16 NON-CURRENT BORROWINGS

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Secured:		
Debentures		
Nil (31 March 2017:1,722) fully paid secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to Reliance Mutual Fund [Refer Note 16(i)]	-	1,512.23
Nil (31 March 2017:1,000) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to ICICI Prudential Asset Management Company [Refer Note 16(ii)]	-	998.28
850 (31 March 2017:Nil) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to ICICI Prudential Asset Management Company [Refer Note 16(iii)]	894.76	-
600 (31 March 2017: Nil) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to ICICI Prudential Asset Management Company [Refer Note 16(iv)]	628.95	-
900 (31 March 2017: Nil) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to ICICI Prudential Asset Management Company [Refer Note 16(v)]	945.12	-
Nil (31 March 2017:1,050) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to DSP Black Rock [Refer Note 16(vi)]	-	1,046.78
Nil (31 March 2017:1,200) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to Birla Sun Life [Refer Note 16(vii)]	-	1,198.28
Term loans		
From banks		
- Aditya Birla Finance Limited [Refer Note 16(viii) (a) and (viii) (b)]	-	1,526.29
- Axis Bank Limited [Refer Note 16(ix)]	3,104.39	922.36
	5,573.22	7,204.22

Information about the Company's exposure to interest rate and liquidity risks is included in note 36.

Notes:

(i) Fully paid secured rated redeemable non-convertible debentures issued to Reliance Mutual Fund -

◆ As at the year end, the paid up value of these debentures is Nil including current maturities of long-term debt) [i.e., Nil secured rated redeemable non convertible debentures of Rs.1 million each (31 March 2017 : Rs.1,722 million)]

☐ Security

- Pledge of a proportion of the shares of Mindtree Limited and Tanglin Development Limited held by the Company;

☐ Personal guarantee of Mr. V. G. Siddhartha.

☐ These debentures carry fixed maturity internal rate of return of 14.25% p.a. including quarterly payable coupon interest rate of 6.5% p.a.

☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay.

☐ The principal amount shall be repaid in 9 equal quarterly installments beginning from 18 March 2017 and expiring on the scheduled maturity date (i.e., 15 March 2019).

☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement.

☐ The company has prepaid these debentures during the year."

(ii) Secured rated redeemable non-convertible debentures issued to ICICI Prudential Asset Management Company -

"Fully paid secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to ICICI Prudential Asset Management Company -

☐ As at the year end the paid up value of these debentures is Rs. 1,000 million including current maturities of long-term debt [i.e, 1000 secured rated redeemable non-convertible debentures of Rs. 1,000,000 each (31 March 2017: Rs. 1000 million)]

☐ These debentures carry interest @ MIBOR plus 600 base points subject to a minimum of 10.99% and maximum of 11.01%

☐ Security

- Pledge of shares of Mindtree where the aggregate amount shall be equal to the principal amount.
- Pledge of shares of CDGL where the aggregate amount shall be 2.5 times the benchmark amount from the allotment date and at least 1.5 times the benchmark amount from the effective date of issue of mindtree shares.
- Personal guarantee of Mr. V. G. Siddhartha.

The Company at all times shall maintain a minimum reserve which shall be equal to the money due and payable to the debenture holders.

☐ The amount shall be paid on bullet repayment basis on the expiry of the term. (i.e; 14 March 2019)

☐ Amounts unpaid on due date will attract overdue interest at 2% p.a over and above the cash coupon rate.

☐ The Company can redeem such debentures before maturity by giving one day notice of the same."

(iii) Secured rated redeemable non-convertible debentures issued to ICICI Prudential Asset Management Company -

"☐ As at the year end, the paid up value of these debentures is Rs. 850 [i.e., 850 secured rated redeemable non convertible debentures of Rs.1 million each (31 March 2017 :Nil)]

☐ Security

- Pledge of shares of Mindtree where the aggregate amount shall be equal to the principal amount.;
- Pledge of shares of CDGL where the aggregate amount shall be 2.5 times the benchmark amount from the allotment date and at least 1.5 times the benchmark amount from the effective date of issue of mindtree shares.

☐ Personal guarantee of Mr. V. G. Siddhartha.

☐ MIBOR plus 600 base points subject to a minimum of 10.99% and maximum of 11.01%

☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay.

☐ The amount shall be paid on bullet repayment basis on the expiry of the term of 2 years.

☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement."

(iv) Secured rated redeemable non-convertible debentures issued to ICICI Prudential Asset Management Company -

"☐ As at the year end, the paid up value of these debentures is Rs. 600 [i.e., 600 secured rated redeemable non convertible debentures of Rs.1 million each (31 March 2017 :Nil)]

☐ Security

- Pledge of shares of Mindtree where the aggregate amount shall be equal to the principal amount.;
- Pledge of shares of CDGL where the aggregate amount shall be 2.5 times the benchmark amount from the allotment date and at least 1.5 times the benchmark amount from the effective date of issue of mindtree shares.

☐ Personal guarantee of Mr. V. G. Siddhartha.

☐ These debentures carry a fixed maturity internal rate of return of 11% p.a

☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay.

☐ The amount shall be paid on bullet repayment basis on the expiry of the term of 2 years.

☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement."

(v) Secured rated redeemable non-convertible debentures issued to ICICI Prudential Asset Management Company -

☐ As at the year end, the paid up value of these debentures is Rs. 900 [i.e., 900 secured rated

redeemable non convertible debentures of Rs.1 million each (31 March 2017 :Nil)]
☐ Security
☐- Pledge of shares of Mindtree where the aggregate amount shall be equal to the principal amount.;
- Pledge of shares of CDGL where the aggregate amount shall be 2.5 times the benchmark amount from the allotment date and at least 1.5 times the benchmark amount from the effective date of issue of mindtree shares.
☐ Personal guarantee of Mr. V. G. Siddhartha.
☐ MIBOR plus 600 basis points subject to a minimum of 10.99% and maximum of 11.01%.
☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay.
☐ The amount shall be paid on bullet repayment basis on the expiry of the term of 2 years.
☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement."

(vi) Secured rated redeemable non-convertible debentures issued to DSP Blackrock Income opportunities Fund -

"☐ As at the year end, the paid up value of these debentures is Rs. 1,050 million including current maturities of long-term borrowings (31 March 2017 : Rs. 1,050 million)
☐ Security
- Pledge of shares of Mindtree where the aggregate value is equal to the benchmark amount
☐- Pledge of Tanglin Shares where the aggregate value of the shares is equal to the benchmark amount
- The Company shall at all times, deposit monies in the designated accounts which is due and payable to the debenture holders on the Scheduled Maturity Date.
- Personal guarantee of Mr. V G Siddhartha.
☐ These debentures carry fixed redemption premium of 11.50 % with an interest rate of 8% p.a. cash coupon
☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay.
☐ These debentures are redeemable by way of bullet repayment at the end of 19 months and 6 days from the date of issue, (i.e., 5 November 2018)
The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement."

(vii) Secured rated redeemable non-convertible debentures issued to Birla Sun Life-

"☐ As at the year end, the paid up value of these debentures is Rs. 1,200 million including current maturities of long-term borrowings (31 March 2017: Rs. 1,200 million)
☐ Security
- Pledge of a proportion of the shares of Mindtree Limited and Coffee Day Global Limited held by the Company;
- Pledge of a proportion of the shares of Sical Logistics Limited held by Tanglin Retail Reality Developments Private Limited
- Personal guarantee of Mr. V. G. Siddhartha
☐ These debentures have been allotted in two tranches- 27 April 2015- Rs. 600 million and 12 May 2015- Rs. 600 million.
☐ These debentures carry an interest rate of 14.5% p.a. (increases to 15.5% after one year from date of allotment)
☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay.
☐ These debentures are redeemable by way of bullet repayment at the end of 36 months from the date of issue i.e., 27 April 2018 (Rs. 1200 million)
The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement."

(viii) (a) From Aditya Birla Finance Limited [Principal amount of loan amounting to Rs. 600 million including current maturities of long-term borrowings(31 March 2017 Rs. 600 million) - Secured by

☐ Security
- Pledge of a proportion of the shares of Mindtree Limited, Coffee Day Global Limited, Sical Logistics Limited held by the Company;
- Personal guarantee of Mr. V. G. Siddhartha
☐ The loan carries an interest rate of 13.75% p.a. payable quarterly
☐ Any delay in repayment of interest entails payment of penal interest @ 24% p.a. for the period of delay.
☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the arrangement. Further, the Company has an option to repay the loan in advance with a prepayment premium of 2% on the principal amount outstanding as on the date of prepayment.
The loan is repayable by way of bullet repayment at the end of 36 months from the date of issue (i.e., 26 May 2018)."

(viii) (b) From Aditya Birla Finance Limited [Principal amount of loan amounting to Rs. 930 million including current maturities of long-term borrowings (31 March 2017 Rs. 930 million;) - Secured by

☐ Security
- Pledge of a proportion of the shares of Mindtree Limited and Tanglin Developments Limited held by the Company;
- Personal guarantee of Mr. V. G. Siddhartha
☐ The loan carries an interest rate of 12.50% p.a. payable quarterly
☐ Any delay in repayment of interest entails payment of penal interest @ 24% p.a. for the period of delay.
☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the arrangement. Further, the Company has an option to repay the loan in advance with a prepayment

premium of 2% on the principal amount outstanding as on the date of prepayment.
The loan is repayable by way of bullet repayment at the end of 36 months from the date of issue (i.e., 26 May 2018)."

(ix) From Axis Bank Limited [Principal amount of loan amounting to Rs. 3,150 million (31 March 2017 - Rs. 1,000 million) - Secured by

☐ Security
- Pledge of Mindtree shares (55% of total security cover).
- Listed shares of Sical Logistics Ltd./ Lakshmi Vilas Bank/ CDEL/ any other listed entity acceptable to the lender (65% of total security cover), held by promoter/ group covering 120% of exposure.
- Personal guarantee of Mr. V G Siddhartha
- Security cover by way of listed shares of at least 1.2x of the outstanding/ disbursed facility amount to be maintained during the tenor of the loan on MTM basis.
☐ The interest rate for the loan is as follows:
- 1 year MCLR+ 1%(Spread) p.a, payable monthly (First three years)
- 1 year MCLR+ 1.75%(Spread) p.a, payable monthly (subject to minimum effective rate of interest of 10.65% p.a) (Post three years)
☐ The lender can exercise the call option at the end of three years
☐ The Company has an option of voluntary prepayment with no penalty
☐ The loan amount shall be repaid in 4 half yearly instalments beginning from 42nd month of first disbursement (i.e., 28 June 2020)
☐ Amounts unpaid on due date will attract overdue interest at 2% p.a"

(x) Redeemable debentures in descending order of redemption:

Particulars	Manner of conversion/ redemption	Earliest date of conversion/ redemption
Fully paid secured rated redeemable non-convertible debentures held by ICICI Prudential Asset Management Company. (Refer note 16(iv))	Redemption	19 April 2019
Fully paid secured rated redeemable non-convertible debentures held by ICICI Prudential Asset Management Company. (Refer note 16(v))	Redemption	13 April 2019
Fully paid secured rated redeemable non-convertible debentures held by ICICI Prudential Asset Management Company. (Refer note 16 (iii))	Redemption	5 April 2019
Fully paid secured rated redeemable non-convertible debentures held by ICICI Prudential Asset Management Company. (Refer note 16 (ii))	Redemption	14 March 2019
Fully paid secured rated redeemable non-convertible debentures held by DSP Black Rock Income Opportunities Fund. (Refer note 16 (vi))	Redemption	5 November 2018
Fully paid secured rated redeemable non-convertible debentures held by Birla Sun Life. (Refer note 16 (vii))	Redemption	27 April 2018

(xi) There are no continuing default in the repayment of the principal loan and interest amounts with respect to the above loans.

(xii) The aggregate amount of borrowing secured by personal guarantee of Director amounts to Rs. 10,280 million (31 March 2017: Rs. 10,030 million).

17 NON-CURRENT PROVISION

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
- Gratuity [Refer Note 34]	8.32	5.36
	8.32	5.36

18 TRADE PAYABLES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Trade payables	9.72	6.52
Trade payables to related parties (Refer note 33) Do we need to split separately. Deloitte	-	0.17
	9.72	6.69

All trade payables are current

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 35.

Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2018 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

Particulars	As at 31 March 2018	As at 31 March 2017
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(a) (i) Principal	-	-
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest	-	-
(ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

** No interest has been paid by the Company during the year.*

19 OTHER FINANCIAL LIABILITIES

A. Other non-current financial liabilities

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Interest accrued but not due on borrowings	-	-
	-	-

B. Other current financial liabilities

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Current maturities of long-term debentures		
Nil (31 March 2017:950) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to ICICI Prudential Asset Management Company [Refer Note 19(i)]	-	949.87
Nil (31 March 2017:800) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to ICICI Prudential Asset Management Company [Refer Note 19(ii)]	-	799.62
Nil (31 March 2017:1,722) fully paid secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to Reliance Mutual Fund [Refer Note 16(i)]	-	652.03
1,000 (31 March 2017:1,000) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to ICICI Prudential Asset Management Company [Refer Note 16(ii)]	1,004.36	-
1,050 (31 March 2017:1,050) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to DSP Black Rock [Refer Note 16(vi)]	1,082.89	-
1200 (31 March 2017:1,200) secured rated redeemable non-convertible debentures of Rs. 1,000,000 each issued to Birla Sun Life [Refer Note 16(vii)]	1,200.00	-
Current maturities of long-term debt		
- Aditya Birla Finance Limited [Refer Note 16(viii) (a) and (viii) (b)]	1,528.81	-
Interest accrued but not due on borrowings	-	5.47
Financial guarantee obligation	8.22	10.40
Others		
- accrued salaries and benefits	3.76	3.98
- creditors for expenses	0.10	0.05
- creditors for capital goods	0.40	0.50
- provision for expenses	15.15	11.88
	4,843.69	2,433.80

(i) Secured rated redeemable non-convertible debentures issued to ICICI Prudential Asset Management Company

☐ As at the year end the paid up value of these debentures is Rs. 949.87 million [i.e, 950 secured rated redeemable non-convertible debentures of Rs. 1,000,000 each (31 March 2017: Rs. 950 million)]

☐ These debentures carry interest @ 13% p.a payable quarterly

☐ Security

- Pledge of Mindtree shares equal to one time the principal amount with security cover being maintained at all times
- Pledge of CDGL shares aggregate of which shall be equal to 1.5 times the face value of the debentures
- Personal guarantee of Mr. V. G. Siddhartha.
- Company shall at all points of time maintain in a account designated for this purpose amount equal to the cash coupons payable by the Company in the financial quarter in which such date occurs.

☐ The amount shall be paid on bullet repayment basis on the expiry of the term. (i.e; 16 April 2017)

☐ Amounts unpaid on due date will attract overdue interest at 2% p.a over and above the cash coupon rate.

☐ The Company has redeemed the debentures during the year."

(ii) Secured rated redeemable non-convertible debentures issued to ICICI Prudential Asset Management Company

"☐ As at the year end the paid up value of these debentures is Rs. 799.62 million [i.e, 800 secured rated redeemable non-convertible debentures of Rs. 1,000,000 each (31 March 2017: Rs.800)]

☐ These debentures carry interest @ 13% p.a payable quarterly

☐ Security

- Pledge of Mindtree shares equal to one time the principal amount with security cover being maintained at all times
- Pledge of CDGL shares aggregate of which shall be equal to 1.5 times the face value of the debentures
- Personal guarantee of Mr. V. G. Siddhartha.
- Company shall at all points of time maintain in a account designated for this purpose amount equal to the cash coupons payable by the Company in the financial quarter in which such date occurs.

☐ The amount shall be paid on bullet repayment basis on the expiry of the term. (i.e; 8 April 2017)

☐ Amounts unpaid on due date will attract overdue

interest at 2% p.a over and above the cash coupon rate.
☐ The Company has redeemed the debentures during the year.

(xii) There are no continuing default in the repayment of the principal loan and interest amounts with respect to the above loans.

(xiii) Refer 16(xv) for the aggregate amount of borrowing secured by personal guarantee of Director.

20 OTHER CURRENT LIABILITIES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Statutory dues	1.37	2.79
Others		
- Advance from customers	7.26	13.43
	8.63	16.22

21 REVENUE FROM OPERATIONS

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products		
- Sale of coffee beans	618.42	414.12
- Sale of food, beverages and other items	30.00	27.05
- Sale of merchandise items	0.33	0.28
Sale of services		
- Income from hospitality services	114.98	101.91
- Income from consultancy services	18.00	18.00
Other operating revenue		
- Dividend income	192.08	178.37
- Commission income	11.92	-
- Interest income on loans given to subsidiary	450.40	266.00
Less: sales tax	(27.98)	(24.98)
Less: luxury tax	(2.13)	(6.43)
Less: service tax	(2.96)	(9.73)
	1,403.06	964.59

22 OTHER INCOME

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income		
- Bank deposits	14.46	10.82
- Income tax refund	-	5.97
- Miscellaneous income	2.66	2.39
	17.12	19.18

23 EMPLOYEE BENEFITS EXPENSE

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries and wages	73.12	64.78
Contribution to provident and other funds	3.41	2.01
Staff welfare expenses	0.40	0.23
	76.93	67.02

24 FINANCE COSTS

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense on loans and debentures	1,224.42	1,225.16
Other charges	32.86	-
	1,257.28	1,225.16

25 DEPRECIATION AND AMORTIZATION EXPENSE

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment (Refer note 4)	4.37	5.00
Amortization of intangible assets (Refer note 5)	0.07	0.05
	4.44	5.05

26 OTHER EXPENSES

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Advertisement expenses	3.84	12.16
Legal and professional fees (Refer note 29)	29.22	20.93
Rates and taxes	11.63	14.20
Food, beverages and other consumables	14.81	12.61
Power and fuel	6.74	6.23
Rent (Refer note 31)	5.18	5.06
Director sitting fee	2.14	2.28
Repairs and maintenance		
- Others	4.35	5.85
- Machinery	0.94	1.46
- Buildings	1.32	0.89
Travelling and conveyance	1.88	2.52
Insurance	0.55	1.05
Communication expenses	0.57	0.47
Printing and stationery	0.34	1.78
Freight and handling charges	0.31	0.31
Miscellaneous expenses	1.13	1.37
	84.95	**89.17**

27 INCOME TAX

(a). Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Loss before tax	(614.91)	(795.78)
Estimated tax at Indian tax rate of 33.06% (31 March 2017: 33.06%)	(203.29)	(263.08)
Non-deductible expenses for tax purposes	203.29	263.08
Income tax expense	-	-

(b). Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Rs in million

Particulars	31 March 2018	31 March 2017
Carry forward of business losses	4,812.86	3,710.77
Potential tax benefit @ 33% *	1,591.13	1,226.78
Carry forward of unabsorbed depreciation	43.67	36.29
Potential tax benefit @ 33% *	14.44	12.00

**The business losses expire in 2021-25. The deductible temporary differences do not expire under current tax legislation.*

28 CONTINGENT LIABILITIES, COMMITMENTS AND CONTINGENT ASSETS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Contingent liabilities:		
Claims against the Group not acknowledged as debt in respect to income tax matter, service tax and value added tax matters (refer note (iii))	46.37	-
Investments pledged for loan taken by a subsidiary	4,745.38	5,660.11

i) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. Based on the advice from the Company's legal counsel, management does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Company does not expect any reimbursements in respect of the above contingent liabilities.

iii) Income tax department conducted search/survey under Section 132/132A of the Income Tax Act, 1961 on the

Company and its subsidiary Companies from 21 September 2017 to 24 September 2017. The Company does not envisage any material impact on its financials statements.

29 AUDITOR'S REMUNERATION (INCLUDED IN LEGAL AND PROFESSIONAL FEES AND EXCLUDES SERVICE TAX)

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
As auditor		
- for statutory audit	2.70	1.20
- limited reviews	6.00	1.50
Reimbursement of expenses	0.15	0.02
	8.85	**2.72**

30 LOSS PER SHARE

(i) Loss attributable to equity shareholders (basic and diluted):

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
	(614.91)	(795.78)

(ii) Weighted average number of equity shares (basic and diluted):

Particulars	For the year ended 31 March 2018"	For the year ended 31 March 2017
Number of equity shares at the beginning of the year (Refer note 14)	211,251,719	206,001,719
Add: Weighted average number of equity shares issued during the year (Refer note 38)	-	3,495,205
Number of weighted average equity shares considered for calculation of diluted earnings per share	**211,251,719**	**209,496,924**

(iii) Loss per share:

- Basic	(2.91)	(3.80)
- Diluted	(2.91)	(3.80)

31 LEASES

The Company leases land for operating resort under non-cancellable operating lease agreement. The Company intends to renew such lease in the normal course of its business. Total rental expense under non-cancellable operating lease was Rs. 5.02 million (Previous year: Rs. 4.90 million).

The future minimum lease payments under non-cancellable operating leases in aggregate are as follows:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Not later than 1 year	5.26	5.01
Later than 1 year and not later than 5 years	23.80	22.67
More than 5 years	79.09	85.49

The Company leases office premises and staff quarters under cancellable operating lease agreements. The Company intends to renew such leases in the normal course of its business. Total rental expense under cancellable operating leases was Rs. 0.16 million (Previous year: Rs. 0.16 million)

32 SEGMENT INFORMATION

A Basis for segmentation

In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in these standalone financial results.

33 RELATED PARTY TRANSACTIONS

A. Enterprises where control exists:

The related parties where control exists include subsidiaries, associates and joint ventures as referred in Note 1

B. Key management personnel

Executive key management personnel represented on the Board of the Company are -
- Mr. V.G. Siddhartha
- Mr. Sadananda Poojary
- Mr. R. Ram Mohan

The non executive directors on the Board of the Company are -
- Mr. Sanjay Nayar
- Mrs. Malavika Hegde
- Mr. S V Ranganath
- Mr. Albert Hieronimus
- Mr. M D Mallya

C. The aggreate value of the Company's transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence is as follows:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Significant transactions with entities where control exists -		
Services rendered (Income from hospitality):		
- Karnataka Wildlife Resorts Private Limited	23.37	19.30
Rent paid:		
- Coffee Day Global Limited	0.10	0.10
Trade Mark Sublicence Fee:		
- Coffee Day Global Limited	0.88	0.82
Loans given to:		
- Tanglin Developments Limited	6,600.17	8,838.01
- Coffee Day Hotels and Resorts Private Limited	3,567.86	2,911.69
Interest income:		
- Tanglin Developments limited	450.40	266.00
Sale of coffee beans:		
- Kathlekhan Estates Private Limited	352.84	-
- Sampigehutty Estates	-	268.56
Purchase of coffee beans:		
- Coffee Day Trading Limited	350.97	-
- Kathlekhan Estates Private Limited	-	393.15
Purchase of consumables:		
- Coffee Day Global Limited	0.66	0.88
Trade Mark Licence Income:		
- Tanglin Developments limited	0.40	0.40
- SICAL Logistics Ltd	0.50	0.50
- Way2wealth Securities Pvt Ltd	0.40	0.40

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Loans recovered from:		
- Tanglin Developments Limited	6,592.61	6,506.63
- Coffee Day Hotels and Resorts Private Limited	3,204.54	3,286.79
Significant transactions with entities where significant influence exists -		
Dividend income:		
Mindtree Limited	192.08	178.37
Debenture Interest:		
- Coffee Day Global Limited	0.41	0.41
Consultancy services:		
- Magnasoft Consulting India Pvt Ltd	18.00	18.00
Guarantees given/ (closed):		
-Tanglin Developments Limited	1,478.40	-
-Tangline Retail Reality Developments Limited	467.00	-
Commission income:		
-Tanglin Developments Limited	7.10	-
-Tangline Retail Reality Developments Limited	3.62	-
-Way2Wealth Securities Private Limited	0.50	-
-Coffee Day Hotels and Resorts Private Limited	0.40	-
-Norsea Offshore India Limited	0.30	-

D. The following is a summary of balances receivable from and payable to related parties:

Rs in million

Particulars	As at 31 March 2018	"As at 31 March 2017
Long-term loans and advances recoverable:*		
-Tanglin Developments Limited	6,081.23	6,073.67
- Coffee Day Hotels and Resorts Private Limited	1,433.61	1,070.29
Trade payables:		
- Mysore Amalgamated Coffee Estates Limited	-	0.17
Trade receivables:		
- Karnataka Wildlife Resorts Private Limited	0.21	1.53
- Tanglin Developments Limited	-	266.00
- Magnasoft Consulting India Pvt Ltd	35.91	18.00
- SICAL Logistics Ltd	-	0.13
- Coffee Day Global Ltd	-	0.37
Corporate guarantees given:		
-Tanglin Developments Limited	3,202.90	-
-Tangline Retail Reality Developments Limited	1,354.90	-
-Wilderness Resorts Private Limited	127.90	-
-Way2Wealth Securities Private Limited	500.00	-
-Coffee Day Hotels and Resorts Private Limited	527.90	-
-Norsea Offshore India Limited	470.00	-

** Details of inter- corporate loans given*

(a) Terms and conditions on which inter-corporate loans have been given:

Party name	Nature of relationship	Interest rate	Repayment terms	Purpose
Tanglin Developments Limited	Subsidiary	12%	On demand	General
Coffee Day Hotels and Resorts Private Limited	Subsidiary	0% p.a*	On demand	General

* Section 186 (7) of the Companies Act, 2013 ('the Act') states that no loan shall be given at a rate of interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan. However, section 186 (11) of the Act grants exemption from application of Section 186 of the Act, to loans made by companies engaged in the business of providing infrastructure facilities. Schedule VI of the Act has defined infrastructure facilities to include tourism, including hotels, convention centers and entertainment centres. Since, the Company is in the business of operating resorts, it has obtained a opinion that it is exempt from the provisions of Section 186 of the Act. Accordingly, the Company has not charged interest in relation to loan provided to its wholly owned subsidiary.

(b) Reconciliation of inter-company loans and advances given as at the beginning and as at the end of the year:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
(i) Tanglin Developments Limited		
At the commencement of the year	6,073.67	3,742.29
Add: Given during the year	6,600.17	8,838.01
Less: Repaid during the year	(6,592.61)	(6,506.63)
At the end of the year	**6,081.23**	**6,073.67**
(ii) Coffee Day Hotels and Resorts Private Limited-Long Term		
At the commencement of the year	1,070.29	1,434.08
Add: Given during the year	3,567.86	2,911.69
Less: Repaid during the year	(3,204.54)	(3,275.48)
At the end of the year	**1,433.61**	**1,070.29**
(iii) Coffee Day Hotels and Resorts Private Limited-Short Term		
At the commencement of the year	-	11.31
Add: Given during the year	-	-
Less: Repaid during the year	-	(11.31)
At the end of the year	-	-

E. Compensation of key management personnel of the Company:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Short-term employee benefits	4.95	4.05
	4.95	**4.05**

The remuneration of key executives is determined having regard to the performance of individuals and market trends. Post employment benefit comprising gratuity and compensated absences are not disclosed as these are determined for the Group as a whole.

34 EMPLOYEE BENEFITS OBLIGATIONS

A. Defined benefit plan

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India.

B. Reconciliation of the net defined benefit liability

Reconciliation of the projected benefit obligations

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Change in projected benefit obligation:		
Obligations at the beginning of the year	5.36	4.82
Included in profit and loss:		
- Service cost	2.77	0.89
- Interest cost	0.37	0.37
Included in other comprehensive income:		
- Remeasurement (gains)/ losses in other comprehensive income:		
- Actuarial (gains)/ losses arising from changes in financial assumptions	0.59	0.44
- Actuarial (gains)/ losses arising from experience adjustments	(0.76)	(0.82)
Benefits settled	(0.35)	(0.35)
Obligations at year end	**7.98**	**5.36**
Change in plan assets:		
Plans assets at the beginning of the year, at fair value	-	-
Plan assets acquired on acquisition during the year	-	-
Included in profit and loss:		
- Interest income	-	-
Included in other comprehensive income:		
- Expected return on plan assets	-	-
- Actuarial (loss)/gain	-	-
Plans assets at year end, at fair value	-	-
Liability recognised in the balance sheet	**7.98**	**5.36**
Non current	**8.32**	**5.36**
Current	**-**	**-**

C Expense recognised in the statement of profit and loss and other comprehensive income:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Gratuity cost for the year		
Included in profit and loss:		
- Service cost	2.77	0.89
- Interest cost	0.37	0.37
Included in other comprehensive income:		
- Remeasurement (gains)/ losses in other comprehensive income:		
- Actuarial losses/ (gains) arising from changes in financial assumptions	0.59	0.44
- Actuarial gains arising from experience adjustments	(0.76)	(0.82)
Net gratuity cost	**2.97**	**0.88**

D. Defined benefit obligation

(i) Assumptions

Interest rate	7.80%	7.20%
Salary increase	8.00%	8.00%
Retirement age	60 years	60 years
Attrition rate	2-10% based on the age group	2-10% based on the age group
Mortality table	IALM (2006-08)	IALM (2006-08)

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.
Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows.

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Rs in million

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(0.45)	0.49	(0.31)	0.34
Future salary growth (0.50% movement)	0.44	(0.42)	0.30	(0.27)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

35 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair value

Rs in million

Particulars	Carrying value	Fair value			
	As at 31 March 2018	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost:					
Loans (current and non current)	7,521.64	-	-	-	-
Other financial assets (current and non current)	32.57	-	-	-	-
Trade receivables	39.42	-	-	-	-
Cash and cash equivalents	13.89	-	-	-	-
Bank balances other than cash and cash equivalents	195.53	-	-	-	-
Total	**7,803.05**	**-**	**-**	**-**	**-**
Financial liabilities measured at amortised cost:					
Fixed rate borrowings	2,468.83	-	2,337.47	-	2,337.47
Fluctuating rate borrowings	3,104.39	-	-	-	-
Trade payables	9.72	-	-	-	-
Other financial liabilities (current and non current)	4,843.69	-	4,937.73	-	4,937.73
Total	**10,426.63**	**-**	**7,275.20**	**-**	**7,275.20**

The Company has not disclosed the fair values for financial instruments for non current fluctuating rate borrowing, other financial assets (current and non current) , trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, trade payables because their carrying amounts are reasonably approximation of fair value. Investment in equity shares are not appearing as financial asset in the table above being investment in subsidiaries and associate accounted under Ind AS 28, Separate Financial Statements is scoped out under Ind AS 109.

Rs in million

Particulars	Carrying value	Fair value			
	As at 31 March 2017	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost:					
Loans (current and non current)	7,150.75	-	-	-	-
Other financial assets (current and non current)	0.08	-	-	-	-
Trade receivables	286.04	-	-	-	-
Cash and cash equivalents	8.31	-	-	-	-
Bank balances other than cash and cash equivalents	203.30	-	-	-	-
Total	**7,648.48**	**-**	**-**	**-**	**-**
Financial liabilities measured at amortised cost:					
Borrowings (current and non current)	2,448.65	-	2,535.00	-	2,535.00
Non-convertible redeemable debentures	7,157.09	-	7,409.33	-	7,409
Trade payables	6.70	-	-	-	-
Total	**9,612.44**	**-**	**9,944.33**	**-**	**9,944.00**

The Company has not disclosed the fair values for financial instruments for loans (current and non current), other financial assets (current and non current) , trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, Trade payables, other financial liabilities (current and non current) because their carrying amounts are reasonably approximation of fair value. Investment in equity shares are not appearing as financial asset in the table above being investment in subsidiaries accounted under Ind AS 27, Separate Financial Statements is scoped out under Ind AS 109.

Fair value hierarchy

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are-
a) recognised and measured at fair value
b) measured at amortised cost and for which fair values are disclosed in the financial statements.
To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3

B. Measurement of fair values

(i) Valuation techniques and significant unobservable inputs

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:
- The fair values of the Company's interest-bearing debentures and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2018 was assessed to be insignificant.
The following tables show the valuation techniques used in measuring Level 3 fair values. The significant unobservable inputs used have not been disclosed as no financial assets and liabilities have been measured at fair value:

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value measurement
Borrowings	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.	Not applicable	Not applicable

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- credit risk (see (b));
- liquidity risk (see (c)); and
- market risk (see (d)).

(a) 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 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.

Board 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. Board is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(b) 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; loans and investments in debt securities.
The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade receivables and loans:

The Company's trade receivable primarily includes receivables from related parties and others from Customers.
The Company 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. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.
The Company's loans include recoverable from loans given to wholly owned subsidiaries
The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.
Based on the above analysis, the Company does not expect any credit risk from its trade receivables and loans recoverable for any of the years reported in this financial statements.

ii) Loans, security deposits and investments:

Expected credit loss for loans, security deposits and investments

Rs in million

Particulars		Period ended	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount, net of impairment provision
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-Mar-18	Loans	7,518.83	0%	-	7,518.83
			Security deposits	2.81	0%	-	2.81
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-Mar-17	Loans	7,147.94	0%	-	7,147.94
			Security deposits	2.81	0%	-	2.81

(c) Liquidity risk

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 Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted contractual cash flow, and include contractual interest payments and exclude the impact of netting agreements.

Rs in million

As at 31 March 2018	Carrying amount	Total	6 months or less	6–12 months	1–2 years	2–5 years	More than 5 years
Non-derivative financial liabilities							
Secured bank loans	4,633.20	4,764.20	1,579.87	-	-	3,184.33	-
Non-convertible redeemable debentures	5,756.08	6,834.59	1,242.90	3,177.25	2,414.44	-	-
Trade payables	9.72	9.72	9.72	-	-	-	-
	10,399.00	**11,608.51**	**2,832.49**	**3,177.25**	**2,414.44**	**3,184.33**	**-**

Rs in million

As at 31 March 2017	Carrying amount	Total	6 months or less	6–12 months	1–2 years	2–5 years	More than 5 years
Non-derivative financial liabilities							
Secured bank loans	2,448.65	3,285.37	149.28	149.05	1,678.50	1,308.54	-
Non-convertible redeemable debentures	7,157.09	8,243.78	2,153.08	2,204.15	3,886.55	-	-
Trade payables	6.69	18.41	18.41	-	-	-	-
	9,612.43	**11,547.56**	**2,320.77**	**2,353.20**	**5,565.05**	**1,308.54**	**-**

(d) Market risk

"Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return."

i) Currency risk

The Company is not exposed to any currency risk. The currencies in which these transactions are denominated is INR.

ii) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to management is as follows:

Rs in million

	As at 31 March 2018	As at 31 March 2017
Fixed rate instruments		
Financial liabilities	7,284.89	8,683.38
Variable rate instruments		
Financial liabilities	3,104.39	922.36

Sensitivity analysis

Fair value sensitivity analysis for fixed-rate instruments
The Company does not have any significant impact on interest cost on the fixed rate instruments.
Cash flow sensitivity analysis for variable-rate instruments
A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Rs in million

Particulars	Impact on profit or loss	
	31 March 2018	31 March 2017
Interest rates - increases by 100 bps	(22.15)	(2.58)
Interest rates - decreases by 100 bps	22.15	2.58

36 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.
The Company monitors capital using a ratio of net debt to equity. For this purpose, net debt is defined as total liabilities, comprising borrowings and trade payables less cash and cash equivalents. Equity comprises all components of equity. The Company's net debt to equity ratio at 31 March 2018 was as follows.

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Borrowings other than convertible preference shares and convertible debentures	10,389.28	9,611.21
Trade payables	9.72	6.69
Less: cash and cash equivalents	13.89	8.31
Net debt	**10,385.11**	**9,609.59**
Equity and reserves	18,759.93	19,374.67
Total equity	**18,759.93**	**19,374.67**
Net debt to equity ratio	**0.55**	**0.50**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

37 SCHEME OF AMALGAMATION OF COFFEE DAY OVERSEAS PRIVATE LIMITED WITH THE COMPANY

During the year, the Company obtained approval from the National Company Law Tribunal (NCLT) dated 31 August 2017 to merge Coffee Day Overseas Private Limited (CDOPL) with itself. CDOPL is a Private limited Company and holds 3.21% of shares in Coffee Day Global Limited, a subsidiary of CDEL. The appointed date of the scheme is 1 August 2016 which is the effective date of merger as approved by NCLT. The Company has considered the said merger as an asset acquisition from the appointed date and accordingly have restated its financials for the year ended 31 March 2017. The consideration for the said asset acquisition has been discharged by issue of 52,50,000 shares of Rs.10 each at premium of Rs.235 per share.

Salient features of the Scheme

Salient features of the Scheme as approved by NCLT are given below:

(i) all of the assets (whether movable or immovable, tangible or intangible), properties, rights, interests and claims including all benefits and entitlements of CDOPL will be deemed to have been vested with the Company so as to become as and from the appointed date , the estate, assets, rights, title and interest of the Company;

(ii) All the profits or incomes accruing or arising to the Company, or expenditure or losses arising or incurred (including the effect of taxes , f any, thereon) by CDOPL shall, for all purposes , be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the CDOPL, as the case may be.

(iii) all liabilities, debts (secured and unsecured), obligations and duties of the CDOPL shall also stand transferred to and vest in the Company;

(iv) all suits, actions and proceedings by or against CDOPL pending and/or arising on or before the date on which the certified copy of the order of the High Court confirming the Scheme is filed with the Registrar of Companies, Karnataka ('the Effective Date') shall continue and be enforced by or against the Company;

(v) For every 1 share of equity shareholders of CDOPL, 21 fully paid equity shares, each having a face value of Rs. 10/- each of the Company shall be issued as consideration1

Accounting treatment in the books of the Company1

The Company shall, upon the scheme becoming operative, record the assets and liabilities of CDOPL vested in it pursuant to this scheme in accordance with Indian Accounting Standard 103 - Business combination.1

List of assets and liabilities being transferred as at 1 August 2016:

Particulars	Debit	Credit
Equity shares in CDGL	1,291.39	-
Tax assets	1.58	-
Cash and cash equivalents	0.09	-
Other financial liabiities	-	0.03
Other current liabilities	-	6.20
Share issued pursuant to merger	-	1,286.83
	1,293.06	**1,293.06**

Net assets taken over as on 1 August 2016

The following amounts have been restated for the year ended 31 March 2017 on account of the aforesaid merger:

Particulars	Debit	Credit
Trade receivables	0.02	
Cash and cash equivalents	0.42	
Indirect expenses	0.12	
Advance income tax (net of provision)	0.06	
MAT credit entitlement		0.20
Statutory dues		0.01
Creditors for expenses		(0.08)
Revenue from operations		0.49
	0.62	**0.62**

38 DURING THE YEAR, THE COMPANY HAD SPECIFIED BANK NOTES (SBNS) OR OTHER DENOMINATION NOTES AS DEFINED IN THE MCA NOTIFICATION, G.S.R. 308(E), DATED 31 MARCH 2017. THE DETAILS OF SBNS HELD AND TRANSACTED DURING THE PERIOD FROM 8 NOVEMBER 2016 TO 30 DECEMBER 2016, THE DENOMINATION WISE SBNS AND OTHER NOTES AS PER THE NOTIFICATION ARE AS FOLLOWS:

Rs in million

Particulars	Specified bank notes	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	0.29	0.02	0.31
Add: Permitted receipts	-	0.23	0.23
Less: Permitted payments	-	0.02	0.02
Less: Amount deposited in banks	(0.29)	-	(0.29)
Closing cash in hand as on 30 December 2016	-	0.27	0.27

39 RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Liability
	Loans
Balance as at 31 March 2017	9,605.74
Proceeds from borrowings	2,150.00
Proceeds from issue of debentures	2,350.00
Redemption of debentures	(3,817.39)
Total changes from financing activities	**10,288.35**
Other changes:-	
Liability-related	
Interest expense	1,257.28
Interest paid	(1,156.35)
Balance as at 31 March 2018	10,389.28

As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants

Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership no.: 205385

Place: Bangalore
Date: 17 May 2018

for and on behalf of the Board of Directors of
Coffee Day Enterprises Limited

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
R. Ram Mohan
Chief Financial Officer

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

Place: Bangalore
Date: 17 May 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Coffee Day Enterprises Limited

REPORT ON THE AUDIT OF CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of Coffee Day Enterprises Limited ("hereinafter referred to as the Holding Company"), its subsidiaries, associates and joint ventures (collectively referred to as "the Group"), which comprise the Consolidated Ind AS Balance Sheet as at 31 March 2018, the Consolidated Ind AS Statement of Profit and Loss, Consolidated Ind AS Statement of Changes in Equity and the Consolidated Ind AS Cash Flow Statement, for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated Ind AS state of affairs, consolidated Ind AS profit (including other comprehensive income), consolidated Ind AS statement of changes in equity and consolidated Ind AS cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We are also responsible to 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 Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated Ind AS 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 Group to cease to continue as a going concern.

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 Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated Ind AS state of affairs of the Group as at 31 March 2018, and their consolidated Ind AS profit (including other comprehensive income), consolidated Ind AS statement of changes in equity and consolidated Ind AS cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 59 to the Ind AS financial statements regarding the scheme of merger accounted by the Company. The Company vide its Board meeting dated 11 August 2016 had approved for the scheme of merger ('Scheme') between the Company and Coffee Day Overseas Private Limited (CDOPL). On 31 August 2017, the Company has obtained approval from National Company Law Tribunal (NCLT) with the appointed date of the Scheme being 1 August 2016. Considering that the Company has treated the merger as an asset acquisition as per the requirements of Ind-AS, the Company should be have accounted for the merger from the date of approval of the scheme; however, considering that the NCLT has approved the scheme with an appointed date of 1 August 2016, the Company has accounted for the merger from such date.

Our opinion is not modified in respect of the above matter.

Other matters

(a) We did not audit the Ind AS financial statements of certain subsidiaries, whose consolidated Ind AS financial statements reflect total assets of Rs 61,624.51 million and net assets of Rs. 10,607.89 million as at 31 March 2018, total revenues of Rs 21,676.45 million and net cash inflows amounting to Rs 1,075.06 million for the year then ended, as considered in the consolidated Ind AS financial statements. These consolidated Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) The consolidated Ind AS financial statements also include the Group's share of total comprehensive income of Rs. 986.43 million for the year ended 31 March 2018, as considered in this Statement, in respect of two associates and two joint ventures, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates and joint ventures and our report in terms of Section 143(3) of the Act, in so far as it relates to the aforesaid associates and joint ventures is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the Group, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Ind AS Balance Sheet, the Consolidated Ind AS Statement of Profit and Loss, the Consolidated Ind AS Cash Flow Statement and Consolidated Ind AS Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Group incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint venture as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated Ind AS financial position of the Group. Refer Note 44 to the consolidated Ind AS financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2018.

iii. There were no amounts during the year which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, associate companies and joint venture companies incorporated in India.

iv. The disclosures in the consolidated Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited consolidated Ind AS financial statements for the period ended 31 March 2017 have been disclosed.

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership number: 205385

Bangalore
17 May 2018

ANNEXURE
TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor's in terms of their reports referred to in other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note ICAI.

Other matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to one subsidiary companies, which is a company incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership number: 205385

Bangalore
17 May 2018

CDEL CONSOLIDATED FINANCIALS

COFFEE DAY ENTERPRISES LIMITED

Consolidated balance sheet

Rs in million

	Note	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	4	19,192.59	18,904.61
Capital work-in-progress	4	9,539.57	8,156.37
Investment property	5	5,787.50	5,055.80
Investment property under development	5	3,083.04	3,206.52
Goodwill	6	5,097.70	5,000.85
Other intangible assets	7	396.72	428.88
Intangible assets under development	7	28.43	7.91
Equity accounted investees	8A	6,883.30	6,348.75
Financial assets			
- Investments	8B	159.96	274.87
- Loans	10	1,417.66	1,104.06
- Other non-current financial assets	11	590.69	272.02
Deferred tax assets, (net)	12	776.44	635.73
Non-current tax assets, (net)		80.69	40.90
Other non-current assets	13	7,633.34	5,355.47
Total non-current assets		60,667.63	54,792.74
Current assets			
Inventories	14	956.03	1,325.40
Financial assets			
- Investments	15	117.27	17.74
- Trade receivables	9	4,797.88	4,089.05
- Cash and cash equivalents	16	15,446.01	12,687.55
- Bank balances other than cash and cash equivalents	17	1,224.22	1,806.86
- Loans	18	1,373.72	1,534.31
- Other current financial assets	19	1,463.45	1,249.54
Current tax assets, (net)		387.89	497.23
Other current assets	20	2,325.20	2,251.68
Total current assets		28,091.67	25,459.36
Total assets		**88,759.30**	**80,252.10**

Rs in million

	Note	As at 31 March 2018	As at 31 March 2017
EQUITY AND LIABILITIES			
Equity			
Equity share capital	21	2,112.52	2,060.02
Shares to be issued pursuant of merger	58	-	1,286.83
Other equity	22	21,663.56	19,290.12
Equity attributable to owners of the Company		23,776.08	22,636.97
Non-controlling interests		6,378.50	5,846.43
Total equity		30,154.58	28,483.40
Non-current liabilities			
Financial liabilities			
- Borrowings	23	31,925.61	32,034.26
- Other financial liabilities	24	1,327.33	1,209.07
Provisions	25	163.53	120.52
Deferred tax liabilities, (net)	26	361.20	256.23
Other non-current liabilities	27	253.89	217.39
Total non-current liabilities		34,031.56	33,837.47
Current liabilities			
Financial liabilities			
- Borrowings	28	8,109.14	5,416.74
- Trade payables	29		
Total outstanding dues to micro enterprises and small enterprises		-	-
Total outstanding dues other than micro enterprises and small enterprises		1,325.10	1,011.69
- Other financial liabilities	30	13,807.49	10,645.49
Provisions	31	35.80	43.28
Current tax liabilities, (net)	32	410.92	236.51
Other current liabilities	33	884.71	577.52
Total current liabilities		24,573.16	17,931.23
Total equity and liabilities		88,759.30	80,252.10
Significant accounting policies	3		

The notes referred to above form an integral part of the consolidated financial statements
As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership no.: 205385

Place: Bangalore
Date: 17 May 2018

for and on behalf of the Board of Directors of
Coffee Day Enterprises Limited

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
R. Ram Mohan
Chief Financial Officer

Place: Bangalore
Date: 17 May 2018

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

COFFEE DAY ENTERPRISES LIMITED

Consolidated Statement of Profit and Loss

Rs in million

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Income			
Revenue from operations	34	37,879.75	31,196.42
Other income	35	631.33	638.23
Total income		38,511.08	31,834.65
Expenses			
Cost of materials consumed	36	8,971.34	7,298.32
Cost of integrated logistics services	37	8,681.50	6,687.80
Purchases of stock-in-trade		329.79	454.34
Changes in inventories of finished goods and work-in-progress	38	3.36	63.57
Employee benefits expense	39	4,876.67	3,911.41
Finance costs	40	3,491.34	3,172.09
Depreciation and amortization expense	41	2,603.67	2,268.40
Other expenses	42	8,827.30	7,343.50
Total expenses		37,784.97	31,199.43
Profit before share of profit of equity accounted investees, exceptional item and tax		726.11	635.22
Share of profit from equity accounted investees (net of income tax)		993.24	736.06
Profit before exceptional item and tax		1,719.35	1,371.28
Exceptional item	59	531.57	-
Profit before tax		2,250.92	1,371.28
Tax expense:	43A		
- Current tax		816.05	536.24
- Deferred tax		(47.76)	18.64
Profit for the year		1,482.63	816.40
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plan actuarial gains/(losses)		8.33	2.51
Net changes in fair value of equity instruments through other comprehensive income		(40.72)	138.00
"Share of other comprehensive income in associates and joint ventures, to the extent not to be classified into profit or loss"		(3.08)	(6.13)
		(35.47)	134.38
Income tax relating to items that will not be reclassified to profit or loss	43B	(11.87)	(1.01)

Rs in million

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Items that will be reclassified subsequently to profit or loss:			
Exchange difference in translating financial statements of foreign operations		(10.78)	14.00
"Share of other comprehensive income in associates and joint ventures, to the extent will be reclassified into profit or loss"		24.27	(103.69)
Effective portion of gains and losses on hedging		0.40	7.31
		13.89	(82.38)
Income tax relating to items that will be reclassified to profit or loss	43B	(0.14)	(2.53)
Other comprehensive income for the period		(33.59)	48.46
Total comprehensive income for the period		**1,449.04**	**864.86**
Profit attributable to:			
- Owners of the company		1,062.59	469.55
- Non- controlling interests		420.04	346.85
Other comprehensive income attributable to:			
- Owners of the company		(23.47)	29.90
- Non- controlling interests		(10.12)	18.56
Total comprehensive income attributable to:			
- Owners of the company		1,039.12	499.45
- Non- controlling interests		409.92	365.41
Earnings per equity share:	45		
- Basic		5.03	2.24
- Diluted		5.03	2.24
Significant accounting policies	3		

The notes referred to above form an integral part of the consolidated financial statements
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership no.: 205385

Place: Bangalore
Date: 17 May 2018

for and on behalf of the Board of Directors of
Coffee Day Enterprises Limited

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
R. Ram Mohan
Chief Financial Officer

Place: Bangalore
Date: 17 May 2018

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

COFFEE DAY ENTERPRISES LIMITED

Consolidated Statement of Changes in Equity

Particulars	Equity share capital	Shares to be issued pursuant to scheme of merger	Reserves and Surplus					
			Debenture redemption reserve	General reserve	Share options outstanding account	Reserve fund (As per 45IC of Reserve Bank of India, 1934)	Capital reserve	
Balance as at 1 April 2016	2,060.02	-	275.10	0.01	51.63	0.92	309.90	
Changes in total comprehensive income:								
Profit during the year	-	-	-	-	-	-	-	
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	
Contributions and distributions:								
Conversion of compulsorily convertible preference shares / debentures	-	-	-	-	-	-	-	
Transfer to debenture redemption reserve	-	-	12.31	-	-	-	-	
Transfer to reserve fund	-	-	-	-	-	0.94	-	
Share options exercised	-	-	-	-	13.04	-	-	
Changes in ownership interest that do not result in loss of control:								
Dilution in ownership without change in control	-	-	-	-	-	-	-	
Changes in ownership pursuant to scheme to merger	-	-	-	-	-	-	-	
Increase in non-controlling interest in subsidiary pursuant to increase in share capital by subsidiary	-	-	-	-	-	-	-	
Loss of joint venture derecognized on sale	-	-	-	-	-	-	-	
Transfer of wholly owned subsidiary within group with reduction of control	-	-	-	-	-	-	-	
Shares to be issued pursuant to scheme of merger	-	1,286.83	-	-	-	-	-	
Balance as at 31 March 2017	2,060.02	1,286.83	287.41	0.01	64.67	1.86	309.90	

Rs in million

Other equity								Equity attributable to owners of the company	Non-controlling interests	Total equity
			Other comprehensive income							
	Non-controlling interest reserve	Securities premium	Retained earnings	Foreign currency translation reserve	Equity instruments through other comprehensive income	Cash flow hedges	Other items of other comprehensive income			
	(363.68)	21,577.05	(2,174.70)	(23.28)	(7.48)	(11.38)	(37.75)	21,656.36	5,749.38	27,405.74
	-	-	469.55	-	-	-	-	469.55	346.85	816.40
	-	-	1.35	11.96	118.03	3.34	(104.78)	29.90	18.56	48.46
	-	168.37	-	-	-	-	-	168.37	-	168.37
	-	-	(12.31)	-	-	-	-	-	-	-
	-	-	(0.94)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	13.04	-	13.04
	(45.69)	-	-	-	-	-	-	(45.69)	42.41	(3.28)
	(933.24)	-	-	-	-	-	-	(933.24)	(361.99)	(1,295.23)
	-	-	-	-	-	-	-	-	32.56	32.56
	-	-	0.11	-	-	-	-	0.11	-	0.11
	-	-	(16.89)	8.63	-	-	-	(8.26)	18.66	10.40
	-	-	-	-	-	-	-	1,286.83	-	1,286.83
	(1,342.61)	21,745.42	(1,733.83)	(2.69)	110.55	(8.04)	(142.53)	22,636.97	5,846.43	28,483.40

Particulars	Equity share capital	Shares to be issued pursuant to scheme of merger	Reserves and Surplus					
			Debenture redemption reserve	General reserve	Share options outstanding account	Reserve fund (As per 45IC of Reserve Bank of India, 1934)	Capital reserve	
Balance as at 1 April 2017	2,060.02	1,286.83	287.41	0.01	64.67	1.86	309.90	
Changes in total comprehensive income:								
Profit during the year	-	-	-	-	-	-	-	
"Other comprehensive income (net of taxes)"	-	-	-	-	-	-	-	
Contributions and distributions:								
Acquisition through business combination transactions	-	-	-	-	-	-	-	
Transfer to debenture redemption reserve	-	-	214.14	-	-	-	-	
Share options exercised	-	-	-	-	0.58	-	-	
Conversion of compulsorily convertible debentures to equity shares	-	-	-	-	-	-	-	
Transfer to retained earnings	-	-	-	-	-	-	-	
Transfer to general reserve	-	-	-	64.04	(64.04)	-	-	
Changes in ownership interest that do not result in loss of control:								
Dilution in ownership without change in control	-	-	-	-	-	-	-	
Shares issued pursuant to scheme of merger	52.50	(1,286.83)	-	-	-	-	-	
Balance as at 31 March 2018	2,112.52	-	501.55	64.05	1.21	4.16	309.90	

The notes referred to above form an integral part of the consolidated financial statements
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership number: 205385

Place: Bangalore
Date: 17 May 2018

for and on behalf of the Board of Directors of
Coffee Day Enterprises Limited

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
R. Ram Mohan
Chief Financial Officer

Place: Bangalore
Date: 17 May 2018

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

Rs in million

Other equity								Equity attributable to owners of the company	Non-controlling interests	Total equity
Reserves and Surplus			Other comprehensive income							
	Non-controlling interest reserve	Securities premium	Retained earnings	Foreign currency translation reserve	Equity instruments through other comprehensive income	Cash flow hedges	Other items of other comprehensive income			
	(1,342.61)	21,745.42	(1,733.83)	(2.69)	110.55	(8.04)	(142.53)	22,636.97	5,846.43	28,483.40
	-	-	1,062.59	-	-	-	-	1,062.59	420.04	1,482.63
	-	-	4.60	(5.89)	(42.70)	0.24	20.28	(23.47)	(10.12)	(33.59)
	-	-	-	5.00	-	-	-	5.00	46.80	51.80
	-	-	(214.14)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	0.58	-	0.58
	-	168.53	-	-	-	-	-	168.53	-	168.53
	-	-	97.70	-	(97.70)	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
	(74.12)	-	-	-	-	-	-	(74.12)	75.35	1.23
	-	1,234.33	-	-	-	-	-	-	-	-
	(1,416.73)	23,148.28	(785.38)	(3.58)	(29.85)	(7.80)	(122.25)	23,776.08	6,378.50	30,154.58

COFFEE DAY ENTERPRISES LIMITED

Consolidated Statement of Cash Flow

Rs. in million

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flows from operating activities		
Profit for the year	1,482.63	816.40
Adjustments:		
- Income tax expense recognised in the statement of profit and loss	768.29	554.88
- Gain on sale of equity accounted investees	(531.57)	-
- Share of profit from equity accounted investees in the statement of profit and loss	(993.24)	(736.06)
- Depreciation and amortization expense	2,603.67	2,268.40
- Finance cost (including financial liabilities at amortised cost)	3,491.34	3,172.09
- Interest income (including financial assets at amortised cost)	(458.12)	(518.72)
- Allowance for expected credit losses	26.43	11.73
- Dividend income on financial assets	(25.05)	(12.99)
- Fair value changes on financial assets at amortised cost	(36.15)	-
- (Profit)/loss on sale of property, plant, equipment and intangibles assets	(10.10)	(0.03)
- Stock compensation expense	0.24	13.04
- Provision for impairment of goodwill	4.85	4.12
- Loss on sale of investments	4.70	4.12
- Bad debts written off	-	7.07
- (Gain)/loss from forex hedging, net	-	(1.05)
Operating cash flow before working capital changes	6,327.92	5,583.00
Changes in		
- Trade receivables	(735.26)	(981.47)
- Current and non-current loans	(153.01)	(297.77)
- Other current financial assets	(296.01)	(257.73)
- Other current and non-current assets	76.41	(898.92)
- Inventories	369.37	(75.23)
- Trade payables	313.41	20.04
- Current and non-current provisions	43.86	15.01
- Other current and non-current liabilities	343.68	267.77
- Other current and non-current financial liabilities	(391.14)	618.07
Cash generated from operations	5,899.23	3,992.77
Effect of exchange differences on translation of foreign subsidiaries operations	(10.78)	14.00
Income taxes paid	(544.86)	(321.95)
Cash generated from operations [A]	**5,343.59**	**3,684.82**
Cash flows from investing activities		
Purchase of property, plant, equipment and intangibles assets	(4,295.96)	(4,999.85)

Rs. in million

	For the year ended 31 March 2018	For the year ended 31 March 2017
Proceeds from sale of property, plant, equipment and intangibles assets	30.98	33.17
Acquisition of investment property	(3,014.86)	(2,878.99)
Acquisition of subsidiary, net of cash and cash equivalents	(116.05)	-
Proceeds from sale of equity accounted investees and other investments	940.62	307.91
Withdrawal of fixed deposits	263.97	1,345.05
Interest received	503.72	451.50
Dividends received	338.23	300.56
Net cash used in investing activities [B]	**(5,349.35)**	**(5,440.65)**
Cash flows from financing activities		
Proceeds from long-term and short-term borrowings	33,535.75	41,180.55
Repayments of long-term and short-term borrowings	(28,435.91)	(33,349.92)
Interest paid (including fair value changes on financial liabilities at amortised cost)	(3,152.62)	(2,961.11)
Net cash generated from financing activities [C]	**1,947.22**	**4,869.52**
Increase in cash and cash equivalents		
Cash and cash equivalents at the beginning of the year	12,300.83	9,187.14
Movement in cash and cash equivalents [A +B +C]	1,941.47	3,113.69
Cash and cash equivalents at the end of the year	14,242.30	12,300.83
Components of cash and cash equivalents (refer note16, 28 and 30)		
Cash in hand	58.24	62.38
Balances with banks		
- in current accounts	10,206.91	6,635.15
- in fixed deposits	5,171.22	5,970.97
- in escrow account	9.64	19.05
Less: Book overdraft	(319.69)	(151.78)
Less: Bank overdraft	(884.02)	(234.94)
Total cash and cash equivalents	14,242.30	12,300.83

The notes referred to above form an integral part of the consolidated financial statements
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership No.: 205385

Place: Bangalore
Date: 17 May 2018

for and on behalf of the Board of Directors of
Coffee Day Enterprises Limited

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
R Ram Mohan
Chief Financial Officer

Place: Bangalore
Date: 17 May 2018

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

COFFEE DAY ENTERPRISES LIMITED

Notes to the consolidated financial statements

1. GROUP OVERVIEW

Coffee Day Enterprises Limited ('CDEL' or 'the Company') and its subsidiaries, associates and joint ventures (collectively known as 'the Group') was originally incorporated as a private limited Company under the Companies Act, 1956 on 20 June 2008 by conversion of erstwhile partnership firm M/s Coffee Day Holding Co. The registered office of the Company is located in Bangalore, India. The Company converted into a public Company during the year 2014-15. The Company undertook an Initial Public Offer of equity shares and subsequently got its equity shares listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) effective 2 November 2015.
CDEL is the parent Company of the Coffee Day Group. The Company owns and operates a resort and renders consultancy services. The Company is also engaged in the trading of coffee beans. The Company, primarily through its subsidiaries, associates and joint venture companies as detailed below are engaged in business in multiple sectors such as Coffee-retail and exports, Leasing of commercial office space, Financial services, Integrated Multimodal Logistics, Hospitality and Information Technology (IT)/Information Technology Enabled Services (ITeS).

List of Subsidiaries with Percentage Holding –

Name of the entity	Country of incorporation and other particulars	Percentage of holding
DIRECT SUBSIDIARIES		
Coffee Day Global Limited (erstwhile Amalgamated Bean Coffee Trading Company Limited) ('CDGL')	a subsidiary of the Company incorporated under the laws of India	89.62%
Tanglin Developments Limited ('TDL')	a subsidiary of the Company incorporated under the laws of India	100.00%
Coffee Day Hotels and Resorts Private Limited ('CDHRPL')	a subsidiary of the Company incorporated under the laws of India	100.00%
Coffee Day Trading Limited (erstwhile Global Technology Ventures Limited) ('CDTL')	a subsidiary of the Company incorporated under the laws of India	88.77%
STEP-DOWN SUBSIDIARIES		
Way2Wealth Securities Private Limited ('W2WSPL')	a subsidiary of TDL and CDEL incorporated under the laws of India	85.53%
Tanglin Retail Reality Developments Private Limited ('TRR')	a subsidiary of TDL incorporated under the laws of India	100.00%
A.N Coffeeday International Limited('AN CCD')	a subsidiary of CDGL incorporated under the laws of Cyprus	100.00%
Classic Coffee Curing Works	a partnership firm with CDGL as a controlling partner having a share of profit of 100%, registered under the laws of India	100.00%
Coffeelab Limited	a subsidiary of CDGL incorporated under the laws of India	100.00%
Coffee Day Gastronomie Und Kaffeehandles GmbH	a subsidiary of AN CCD incorporated under the laws of Austria	100.00%
Coffee Day CZ a.s	a subsidiary of AN CCD incorporated under the laws of Czech Republic	100.00%
SICAL Logistics Limited ('SLL')	a subsidiary of TRR incorporated under the laws of India	52.83%
SICAL Infra Assets Limited ('SIAL')	a subsidiary of SLL incorporated under the laws of India	53.00%

Name of the entity	Country of incorporation and other particulars	Percentage of holding
SICAL Iron Ore Terminal Limited	a subsidiary of SLL incorporated under the laws of India	63.00%
SICAL Iron Ore Terminal (Mangalore) Limited	a subsidiary of SLL incorporated under the laws of India	100.00%
Norsea Offshore India Limited	a subsidiary of SLL incorporated under the laws of India	100.00%
SICAL Mining Limited	a subsidiary of SLL incorporated under the laws of India	100.00%
SICAL Saumya Mining Limited	a subsidiary of SLL incorporated under the laws of India	65.00%
SICAL Bangalore Logistics Park Limited	a subsidiary of SIAL incorporated under the laws of India	100.00%
SICAL Adams Offshore Limited	a subsidiary of SLL incorporated under the laws of India	100.00%
Bergen Offshore Logistics Pte. Limited ('BOFL')	a subsidiary of SLL incorporated under the laws of India	100.00%
Norsea Global Offshore Pte Ltd	a subsidiary of BOFL incorporated under the laws of India	100.00%
SICAL Multimodal and Rail Transport Limited ('SMART')	a subsidiary of SIAL incorporated under the laws of India	100.00%
PNX Logistics Private Limited	a subsidiary of SLL incorporated under the laws of India	60.00%
PAT Chems Private Limited	a subsidiary of SLL incorporated under the laws of India	51.00%
Develecto Mining Limited	a subsidiary of SLL incorporated under the laws of India	51.00%
Mandi2Market Traders Private Limited (erstwhile Way2Wealth Institutional Broking Private Limited / erstwhile Way2Wealth Insurance Broking Private Limited)	a subsidiary of W2WSPL incorporated under the laws of India	100.00%
Way2Wealth Capital Private Limited	a subsidiary of W2WSPL incorporated under the laws of India	99.99%
Way2Wealth Enterprises Private Limited	a subsidiary of W2WSPL incorporated under the laws of India	100.00%
Way2Wealth Brokers Private Limited ('W2WBPL')	a subsidiary of W2WSPL incorporated under the laws of India	99.99%
Way2Wealth Insurance Brokers Private Limited (erstwhile Total Insurance Brokers Private Limited)	a subsidiary of W2WSPL incorporated under the laws of India	99.99%
AlphaGrep Securities Private Limited (erstwhile Way2Wealth Illuminati Securities Private Limited)	a subsidiary of W2WSPL incorporated under the laws of India	51.00%
Way2Wealth Distributors Private Limited	a subsidiary of W2WSPL incorporated under the laws of India	100.00%
Way2Wealth Commodities Private Limited	a subsidiary of W2WBPL incorporated under the laws of	99.99%
Alphagrep Commodities Private Limited	a subsidiary of Alphagrep Securities incorporated under the laws of India	100.00%
Way2Wealth Illuminati Pte. Limited ('W2WIP')	a subsidiary of Alphagrep Securities incorporated under the laws of Singapore	100.00%
AlphaGrep Holding HK Limited ('AHHKL')	a subsidiary of Alphagrep Securities incorporated under the laws of hongkong	100.00%
AlphaGrep UK Limited	a subsidiary of Alphagrep Securities incorporated under the laws of United Kingdom	100.00%
Shanghai Dao Ge International Trading Limited	a subsidiary of Alphagrep Securities incorporated under the laws of China	100.00%

Name of the entity	Country of incorporation and other particulars	Percentage of holding
Girividhyuth India Limited	a subsidiary of TDL incorporated under the laws of India	100.00%
Wilderness Resorts Private Limited (WRPL)	a subsidiary of CDHRPL incorporated under the laws of India	100.00%
Karnataka Wildlife Resorts Private Limited (KWRPL)	a subsidiary of WRPL incorporated under the laws of India	100.00%
Magnasoft Consulting India Private Limited (MCIPL)	a subsidiary of CDTL incorporated under the laws of India	77.88%
Magnasoft Europe Limited	a subsidiary of MCIPL incorporated under the laws of United Kingdom	100.00%
Magnasoft Spatial Services Inc.	a subsidiary of MCIPL incorporated under the laws of Denver	100.00%
ASSOCIATES		
Ittiam Systems Private Limited	an associate of TDL incorporated under the laws of India	21.91%
Mindtree Limited	an associate of the Company and CDTL incorporated under the laws of India	17.11%
Barefoot Resorts and Leisure India Private Limited	an associate of CDHRPL incorporated under the laws of India	27.69%
Global Edge Software Private Limited (until 25 September 2017)	an associate of the Company and CDTL incorporated under the laws of India	26.50%
JOINT VENTURES		
Coffee Day Schaerer Technologies Private Limited ('CDSTPL')	a joint venture of CDGL incorporated under the laws of India	49.00%
PSA Sical Terminals Limited	a joint venture of SLL incorporated under the laws of India	37.50%
SICAL Sattva Rail Terminal Private Limited	a joint venture of SMART incorporated under the laws of India	50.00%

2. BASIS OF PREPARATION

A. Statement of Compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act 2013, (the 'Act') and other relevant provisions of the Act.
Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
Details of the Group's accounting policies are included in note 3.
The Group's consolidated financial statements are approved for issue by the Company's Board of Directors on 17 May 2018.

B. Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated Ind AS financial statements are presented in Indian rupee (INR), which is Coffee Day Enterprises Limited's functional and presentation currency. All financial information presented in Indian rupee has been rounded to the nearest million unless otherwise indicated.

C. Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

Items	Measurement basis
Certain financial assets and liabilities (refer accounting policy regarding financial instrument)	Fair value
Derivative financial instrument	Fair value
Share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability less present value of defined obligations	Fair value of plan assets less present value of defined benefit plan

D. Current Versus Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

E. Use of Estimates andJudgments

The preparation of the consolidated financial statements in conformity with Ind ASs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes:

- note 23: Classification of an item as equity or liability;
- note 3(1): lease classification and straight lining of lease rentals.
- note 54: Determination of significant control and influence over an entity.

Assumptions and estimation uncertainties

Information about judgments, assumptions and estimations uncertainties in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- note 4: depreciation method and useful life of items of property, plant and equipment;
- note 5: depreciation method and useful life of items of investment property;
- note 6: impairment of goodwill;
- note 44: provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources;
- note 49: measurement of defined benefit obligation - key actuarial assumptions;
- note 55: impairment of financial assets

F. Measurement of Fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Group has an established control framework with respect to the measurement of fair values. The Group engages with external valuers for measurement of fair values in the absence of quoted prices in active markets. Significant valuation issues are reported to the Group's audit committee. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Financial instruments (note 55)
- Disclosures for valuation methods, significant estimates and assumptions (note 55)
- Quantitative disclosures of fair value measurement hierarchy (note 55)
- Financial instruments (including those carried at amortized cost) (note 55)

G. Basis of Consolidation

Business combinations

Business combinations (other than common control business combinations) on or after 1 April 2015:

As part of its transition to Ind AS, the Group has elected to apply Ind AS 103, Business Combinations, to only those business combinations that occurred on or after 1 April 2015. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment (see note 6). The gain on business combination is recognized directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognized in the consolidated statement of profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in

the consolidated statement of profit or loss.
If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in the consolidated statement of profit or loss or OCI, as appropriate.

Business combinations prior to 1 April 2015:

In respect of such business combinations, goodwill represents the amount recognized under the Group's previous accounting framework under Indian GAAP adjusted for the reclassification of certain intangibles.

Subsidiary companies

Subsidiary Companies are all entities (including structured 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 to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.
The acquisition method of accounting is used to account for business combinations by the Group.
The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests (NCI)

NCI in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.
Changes in the Group's equity interest in a subsidiary that do not results in a loss of control are accounted for as equity transactions.

Associates and Joint ventures

Interests in associates and joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet. Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.
When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.
Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.
The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 3 (h)(ii) below.

Change in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.
When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in the consolidated statement of profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES

A. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, inclusive of excise duty and net of taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.
Sales tax/value added tax (VAT)/Goods and service tax is not received by the group on its own account. Rather, it is tax collected on value added to the commodity by

the seller on behalf of the government. Accordingly, it is excluded from revenue.
The specific recognition criteria described below must also be met before revenue is recognized.

Sale of products

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. The timing of transfers of risks and rewards varies depending on the individual terms of sale.

For customer loyalty programmes, the fair value of the consideration received or receivable in respect of the initial sale is allocated between the award credits and the other components of the sale. The amount allocated to award credits is deferred and is recognized as revenue when the award credits are redeemed and the Group has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the award credits will be redeemed.

Sale of services

Service revenues are recognized as the services are performed. Services provided pursuant to a contract are either recognized over the contract period or upon completion of the elements specified in the contract depending on the terms of the contract. Operating revenues from the integrated logistics services / distribution and maintenance of vending machines are recognized when the services are rendered. Revenues include unbilled as well as billed amounts.
Revenue from software development on time-and material basis is recognized as the related services are rendered. Revenue from fixed price contracts is recognized using the proportionate completion method, which is determined by relating the actual project cost of work performed to date to the estimated total project cost for each contract. Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates. Maintenance revenue is recognized ratably over the period of the maintenance contract.
Income from operations of resort primarily comprises revenue from room rentals and sale of food and beverage charges. Such service income is recognized when the related services are rendered unless significant future contingencies exist.

Income from leasing of commercial office space

The Group derives its revenue from licensing of usage of property to companies. License fee is in the nature of operating lease income and is recognized as per the terms of agreement unless the escalation is not in line with inflation. Where escalation is not in line with inflation revenue is recognized on a straight line basis over the non-cancellable lease term. Maintenance, electricity and transportation income are recognized on the accrual basis in accordance with the terms of the agreements with lessees.
Advance rent received is amortized on a straight line basis over the Lock-in period and income is recognized under income from operations.

Income from financial services

Trading income is recognized when a legally binding contract is executed.
Brokerage income and transaction charges are recognized on the trade date of the transaction upon confirmation of the transaction by the exchanges. Brokerage income from mutual funds, Initial Public Offer, fixed deposits of Companies and Post Office are accounted on accrual basis as per the statement of accounts received from the respective organizations.
Income from consultancy services is accounted for on the basis of actual progress/technical assessment of work executed, in line with the terms of respective consultancy contracts.
Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.
Depository transaction charges are recognized on completion of respective transaction. Annual maintenance charges for depository accounts are accounted as and when the services are rendered.
Income from portfolio management fees are recognized on the basis of agreements entered into with clients and when the right to receive income is established.
Futures and options trading income comprises of profit/loss on derivative instruments and these are marked to market.

Other operating revenues

Import entitlements, which are primarily provided for shipping a specified cumulative volume or shipping to/ from specific locations, are recorded on accrual basis based on actual export revenue for the year and pro-rated based on actual or projected realization of the entitlement. When using realization, we rely on historic trends as well as economic and other indicators to estimate the recorded revenue for import entitlements.
Revenue from franchisee arrangement consists of sale of coffee products and other related products as well as royalties paid by franchisees to use the 'Coffee Day' brand. Sales of coffee products and other related products

are recognized on transfer of all significant risks and rewards of ownership to franchisee. Royalty revenues are recognized based upon a percentage of reported revenues by the franchisee in accordance with the terms of the relevant arrangement unless significant future contingencies exist.

Income from advertising is recognized ratably over the period of the contract and in accordance with the terms and conditions of the contract.

Gain/loss from commodity future transactions is settled on a net basis and recognized on accrual basis in the consolidated statement of profit and loss.

Other income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

B. Tangible and intangible assets

1. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

2. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

3. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method as well as written down value basis from the date the assets are ready for intended use, and is generally recognized in the consolidated statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. The building built on leasehold land is classified as building and is amortized over the lease term or the useful life of the building, whichever is lower.

Coffee business

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful lives	Method of depreciation
Building	30 – 60 years	SLM
Leasehold improvements	9 years	SLM
Plant and machinery	12 years	SLM
Office equipments	5 years	SLM
Furniture and fixtures	8 - 10 years	SLM
Computers	3 years	SLM
Vehicles	8 years	SLM
Coffee vending machines	7 - 9 years	SLM
Leasehold land	Lease term	SLM

Integrated logistics business

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful lives	Method of depreciation
Building	30 – 60 years	SLM
Furniture and fixtures	10 - 15 years	SLM - WDV
Office equipments	5 years	SLM

Computers	3 - 5 years	SLM - WDV
Plant and machinery	5 years	SLM
Vehicles	8 years	SLM
Port handling equipment	20 years	SLM
Electrical installations	10 - 5 years	SLM - WDV
Dredger	14 years	SLM
Tender boat	14 years	SLM
Pipes and floaters	20 years	WDV

Hospitality business

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful lives	Method of depreciation
Leasehold improvements	20 years	SLM
Plant and machinery	8 years	SLM
Office equipments	6 years	SLM
Computers	2 years	SLM
Furniture and fixtures	8 years	SLM
Vehicles	6 years	SLM

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.
Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

4. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.
Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.
The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.
Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit or loss when the asset is derecognized.
The estimated useful lives of items of finite intangibles of the Group for the current and comparative periods are as follows:

Asset	Management estimate of useful lives	Method of amortization
Computer software	2 - 6 years	SLM
License fees	20 years	SLM
North star software	3 years	SLM

5. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.
Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.
Investment property comprise of assets land, building, and other assets such as plant & machinery, furniture & fixtures and equipments which are integral to the generation of cash flows of group of assets. These asset

are depreciated using straight line method over their estimated useful life as mentioned in the table below. Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.
The estimated useful lives of items of the group for the current and comparative periods are as follows:

Asset	Management estimate of useful lives	Method of amortization
Building	60 Years	SLM
Plant and machinery	15 Years	SLM
Furniture and fixtures	6 Years	SLM
Office equipment	5 Years	SLM

C. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.
Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.
The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.
Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

D. Employee Benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.
The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.
Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.
When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Long-term employee benefit

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related services. The present value of compensated absences obligation is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, as at year end. The obligation is measured at

the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the consolidated statement of profit and loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

E. Foreign Currency Transactions

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective
- qualifying cash flow hedges to the extent that the hedges are effective;

Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the statement of consolidated profit or loss.

F. Income Taxes

Income tax comprises current and deferred tax. It is recognised in the consolidated statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum alternate tax ('MAT') paid in a year is charged to the consolidated statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income tax Act, 1961, the said asset is created by way of credit to the consolidated statement of profit and loss and shown as 'MAT Credit Entitlement'. The Group reviews the 'MAT credit entitlement' asset at each reporting date and writes down

the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

G. Provisions and Contingent Liabilities

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract. The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

H. Impairment

(i) Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for one year or more;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not

increased significantly since initial recognition.
Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.
Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.
12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.
When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.
The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is one year or more past due.

Measurement of expected credit losses:

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet:

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.
For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets:

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.
For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.
The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.
The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of profit and loss.
An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.
An impairment loss in respect of goodwill is not subsequently reversed. In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

I. Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owner's of the Group for the year by the weighted average number of equity shares outstanding during reporting period.
Diluted Earnings Per Share amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

J. Cash and cash equivalents

Cash and cash equivalents in the consolidated balance sheet comprises of cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

K. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated.
For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdraft and book overdraft as they are considered an integral part of the Group's cash management.

L. Leases

As a lessee

Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance lease. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets. Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's consolidated balance sheet.

Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

M. Government grants

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.
Since the grant compensates the Group for expenses incurred, it is recognised in the consolidated statement of profit and loss as a reduction from the respective expenses on a systematic basis in the periods in which such expenses are recognised.

N. Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

O. Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI. After initial recognition, goodwill is measured at cost less

any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in consolidated statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

P. Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets: Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at an individual asset level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows

through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, refer note 3(p)(v) for derivatives designated as hedging instruments.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. See note 55 for financial liabilities designated as hedging instruments.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in consolidated statement of profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss. The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in consolidated statement of profit or loss. The amount accumulated in other equity is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

vi. Compound financial instruments

Compound financial instruments are those instruments which contains both a financial liability component and an equity component. The option to convert the financial instrument into equity shares of the Group would be with the holder of the instrument

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

Q. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on

qualifying assets is deducted from the borrowing costs eligible for capitalisation.
Other borrowing costs are expensed in the period in which they are incurred.

R. Segment reporting

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Coffee and related business, Integrated multimodal logistics, Financial services, Leasing of commercial office space, Hospitality services and Investment and other corporate functions.

S. Recent accounting pronouncements

Notification of 'Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115, establishes a comprehensive framework for determining whether, how much and when revenue should be recognised. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and Guidance Note on Accounting for Real Estate Transactions. Ind AS 115 is effective for annual periods beginning on or after 1 April 2018 and will be applied accordingly. The Group has completed an initial assessment of the potential impact of the adoption of Ind AS 115 on accounting policies followed in its consolidated financial statements. The quantitative impact of adoption of Ind AS 115 on the consolidated financial statements in the period of initial application is not reasonably estimable as at present.

The Group plans to apply Ind AS 115 using the cumulative effect method , with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 April 2018) in retained earnings. As a result, the Group will not present relevant individual line items appearing under comparative period presentation.
Amendment to Ind AS 21 The Effects of Changes in Foreign Exchange Rates
On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21.

- Appendix B to Ind AS 21 applies when:
  a. Pays or receives consideration denominated or priced in a foreign currency and
  b. Recognises a non-monetary prepayment asset or deferred income liability – e.g. non-refundable advance consideration before recognising the related item at a later date.
- Date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.
- If there are multiple payments or receipts in advance, the entity should determine a date of the transaction for each payment or receipt of advance consideration.

The amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the financial statements and the impact is not material.

Amendment to Ind AS 12 Income tax

- Decreases below cost in the carrying amount of a fixed-rate debt instrument measured at fair value for which the tax base remains at cost give rise to a deductible temporary difference. This applies irrespective of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use, i.e. continuing to hold it, or whether it is probable that the issuer will pay all the contractual cash flows.
- The amendment explains that determining temporary differences and estimating probable future taxable profit against which deductible temporary differences are assessed for utilization are two separate steps.
- Carrying amount of an asset is relevant only to determining temporary differences. It does not limit the estimation of probable future taxable profit.

The amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the financial statements and the impact is not material.

Amendment to Ind AS 40 Investment Property

MCA through a notification dated 28 March 2018 issued certain amendments to Ind AS 40.
'The amendment lays down the principle regarding when a Group should transfer an asset to, or from, an investment property.
1) A transfer is made when and only when:
a. There is an actual change of use i.e. an asset meets or ceases to meet the definition of investment property.
b. There is evidence of the change in use.
2) In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use.

The amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the consolidated financial statements and the impact is not material.

4. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	Owned							
	Freehold land	Buildings (refer note i)	Leasehold improve-ments	Plant and equip-ment	Office equip-ment	Furni-ture and fixtures	Dredger	Tender boat
Cost or deemed cost:								
Balance as at 1 April 2016	4,095.54	2,941.16	2,907.10	3,263.15	184.72	953.30	1,367.30	32.20
Additions	57.59	219.98	347.56	563.61	63.45	269.13	-	-
Disposals/ capitalisation	-	-	(29.60)	-	(0.20)	(12.82)	(30.00)	(0.70)
Exchange differences on translation of foreign opera-tions (refer note iii)	-	-	(4.76)	(6.01)	(1.06)	(3.10)	-	-
Balance as at 31 March 2017	**4,153.13**	**3,161.14**	**3,220.30**	**3,820.75**	**246.91**	**1,206.51**	**1,337.30**	**31.50**
Balance as at 1 April 2017	4,153.13	3,161.14	3,220.30	3,820.75	246.91	1,206.51	1,337.30	31.50
Additions	18.33	144.10	365.04	257.45	35.04	234.62	10.40	0.30
Acquisition through business combination (refer note 57)	30.40	-	-	-	98.30	3.00	0.10	-
Disposals/ capitalisation	-	(1.20)	(2.80)	(4.40)	(0.40)	(12.22)	-	(0.90)
Exchange differences on translation of foreign opera-tions (refer note iii)	-	-	(11.15)	(16.53)	(2.43)	(8.22)	-	-
Balance as at 31 March 2018	**4,201.86**	**3,304.04**	**3,571.39**	**4,057.27**	**377.42**	**1,423.69**	**1,347.80**	**30.90**
Accumulated depreciation								
Balance as at 1 April 2016	-	352.90	675.65	939.69	145.06	348.84	397.60	8.30
Depreciation for the year	-	119.58	589.87	453.20	20.21	166.80	89.20	2.10
Disposals	-	-	(28.19)	-	(0.20)	(11.89)	-	-
Exchange differences on translation of foreign opera-tions (refer note iii)	-	-	(4.18)	(5.66)	(0.95)	(2.26)	-	-
Balance as at 31 March 2017	**-**	**472.48**	**1,233.15**	**1,387.23**	**164.12**	**501.49**	**486.80**	**10.40**
Balance as at 1 April 2017	-	472.48	1,233.15	1,387.23	164.12	501.49	486.80	10.40
Depreciation for the year	-	132.93	551.72	445.92	31.06	193.08	86.10	2.00
Acquisition through business combination (refer note 57)	-	-	-	-	6.90	1.70	-	-
Disposals	-	(1.00)	-	(1.00)	(0.20)	(11.94)	-	-
Exchange differences on translation of foreign opera-tions (refer note iii)	-	-	(10.26)	(5.23)	(2.40)	(6.88)	-	-
Balance as at 31 March 2018	**-**	**604.41**	**1,774.61**	**1,826.92**	**199.48**	**677.45**	**572.90**	**12.40**
Carrying amount:								
As at 31 March 2017	**4,153.13**	**2,688.66**	**1,987.15**	**2,433.52**	**82.79**	**705.02**	**850.50**	**21.10**
As at 31 March 2018	**4,201.86**	**2,699.63**	**1,796.78**	**2,230.35**	**177.94**	**746.24**	**774.90**	**18.50**

Rs in million

Owned						Leased		Total	Capital work-in-progress
Pipes and floaters	Electrical installa-tion	Port handling equip-ment	Com-puters	Vehicles	Coffee vending machine	Plant and equip-ment (refer note ii)	"Lease-hold land (refer note ii)"		
11.00	0.40	1,167.36	207.72	1,076.66	2,780.17	39.24	968.09	21,995.11	7,063.24
-	-	2.10	47.58	1,152.95	973.28	3.53	-	3,700.76	2,484.97
-	-	-	(0.80)	(0.80)	-	-	-	(74.92)	(1,391.84)
-	-	-	(0.25)	-	-	-	-	(15.18)	-
11.00	**0.40**	**1,169.46**	**254.25**	**2,228.81**	**3,753.45**	**42.77**	**968.09**	**25,605.77**	**8,156.37**
11.00	0.40	1,169.46	254.25	2,228.81	3,753.45	42.77	968.09	25,605.77	8,156.37
-	-	47.80	51.42	306.08	1,018.91	17.27	-	2,506.76	3,186.81
-	-	0.20	-	136.90	-	-	-	268.90	0.60
-	-	-	(3.50)	(32.30)	-	-	-	(57.72)	(1,804.21)
-	-	-	(0.84)	-	-	-	-	(39.17)	-
11.00	**0.40**	**1,217.46**	**301.33**	**2,639.49**	**4,772.36**	**60.04**	**968.09**	**28,284.54**	**9,539.57**
7.80	0.34	851.50	162.89	325.64	390.89	26.59	-	4,633.69	-
0.50	-	52.20	15.03	147.71	460.13	6.00	-	2,122.53	-
-	-	-	(0.70)	(0.80)	-	-	-	(41.78)	-
-	-	-	(0.23)	-	-	-	-	(13.28)	-
8.30	**0.34**	**903.70**	**176.99**	**472.55**	**851.02**	**32.59**	**-**	**6,701.16**	**-**
8.30	0.34	903.70	176.99	472.55	851.02	32.59	-	6,701.16	-
0.40	-	59.70	22.00	277.52	587.18	8.71	-	2,398.32	-
-	-	-	-	47.69	-	-	-	56.29	-
-	-	-	(3.50)	(20.60)	-	-	-	(38.24)	-
-	-	-	(0.81)	-	-	-	-	(25.58)	-
8.70	**0.34**	**963.40**	**194.68**	**777.16**	**1,438.20**	**41.30**	**-**	**9,091.95**	**-**
2.70	**0.06**	**265.76**	**77.26**	**1,756.26**	**2,902.43**	**10.18**	**968.09**	**18,904.61**	**8,156.37**
2.30	**0.06**	**254.06**	**106.65**	**1,862.33**	**3,334.16**	**18.74**	**968.09**	**19,192.59**	**9,539.57**

Notes:

i). Includes building constructed on leasehold land.

ii). Finance leases

- The carrying value of land held under finance leases as at 31 March 2018 was Rs. 968.09 million (31 March 2017: Rs 968.09 million). The Group has taken land admeasuring 10.05 acres in Chikmangalur on lease for a period of 99 years on 1 April 1995. The Group has classified the lease as a finance lease since it has an option to purchase the land at the end of the lease period.
- Leased plant and machinery represents assets acquired under finance leases contracts. Leased assets are pledged as security for the related finance lease liabilities.

Represents the effect of translation of assets held by foreign subsidiaries.

iv) Security

- Property, plant and equipment amounting to Rs. 16,897.58 million as at 31 March 2018 (31 March 2017: Rs. 15,969.43 million) has been pledged as security by the Group against loans taken from banks and financial institutions.
- Vehicles with a carrying amount of Rs. 16.09 million as at 31 March 2018 (31 March 2017: Rs. 11.35 million) are subject to vehicles loans from bank.

v) Contractual obligations

As at 31 March 2018, the Group is committed to spend Rs 122.23 million (31 March 2017: Rs 70.15 million) under a contract to purchase property, plant and equipment.

vi) Significant estimates

Property, plant and equipment represents a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life, if any. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. (Refer note 2(E))

5. INVESTMENT PROPERTY

Rs in million

Particulars	Owned					Total	Investment property under development
	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipment		
Cost or deemed cost:							
Balance as at 1 April 2016	481.84	5,805.08	956.28	197.75	10.56	7,451.51	2,684.11
Additions	225.03	156.31	0.88	-	-	382.22	1,505.06
Deletions / capitalisation	-	-	-	(3.53)	-	(3.53)	(982.65)
Balance as at 31 March 2017	706.87	5,961.39	957.16	194.22	10.56	7,830.20	3,206.52
Balance as at 1 April 2017	706.87	5,961.39	957.16	194.22	10.56	7,830.20	3,206.52
Additions	-	759.61	70.32	5.07	-	835.00	598.72
Deletions / capitalisation	-	-	-	-	-	-	(722.20)
Balance as at 31 March 2018	706.87	6,721.00	1,027.48	199.29	10.56	8,665.20	3,083.04
Accumulated depreciation							
Balance as at 1 April 2016	-	1,920.68	563.84	170.39	9.35	2,664.26	-
Depreciation for the year	-	68.24	30.45	11.20	0.25	110.14	-
Balance as at 31 March 2017	-	1,988.92	594.29	181.59	9.60	2,774.40	-
Balance as at 1 April 2017	-	1,988.92	594.29	181.59	9.60	2,774.40	-
Depreciation for the year	-	71.00	28.68	3.38	0.24	103.30	-
Balance as at 31 March 2018	-	2,059.92	622.97	184.97	9.84	2,877.70	-
Carrying amount:							
As at 31 March 2017	706.87	3,972.47	362.87	12.63	0.96	5,055.80	3,206.52
As at 31 March 2018	706.87	4,661.08	404.51	14.32	0.72	5,787.50	3,083.04

A. Notes:

i). Borrowing cost capitalised during the year amounts to Rs. 199.47 million (31 March 2017: Rs. 246.04 million)

ii). Contractual obligations

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities amounting to Rs. 10.82 million (31 March 2017: Rs. 370.00 million)

iii). Security

The Group has pledged the investment property to secure loans from financial institutions and banks, borrowed by the subsidiary company. Refer note 23

B. Amounts recognised in profit and loss for investment properties

Rs in million

	For the year ended 31 March 2018	For the year ended 31 March 2017
Rental income derived from investment properties	1,475.40	1,375.75
Direct operating expenses (including repairs and maintenance)	(654.07)	(621.44)
Profit arising from investment properties before depreciation and indirect expenses	821.33	754.31
Less: Depreciation	(103.30)	(110.14)
Profit arising from investment properties before indirect expenses	718.03	644.17

C. Fair value

The Group obtains independent valuations for its investment properties at least annually. As at 31 March 2018 and 31 March 2017, the fair values of the properties are Rs. 22,336 million and Rs. 22,388 million respectively. The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement for all of the investment property has been categorised as level 3 fair value based on the inputs to the valuation techniques used.

Valuation technique: Considering the revenue generating potential of the existing built-up area both under Part A (Non-SEZ) and Part B (SEZ), opinion on Market Value of the built-up area of the Project Site - 1 is offered using 'Discounted Cash Flow' approach. Further, the Project Site - 1 also has unutilized built potential under both SEZ & Non-SEZ area of about 7,170,410 sq. ft. Since the micro-market does not have large land parcels transacted/sold and/or available for sale, the opinion on Market Value of the unutilized built potential of the Project Site - 1 is offered using only 'Residual' approach. The paragraphs below present description of the proposed valuation approaches used in the valuation of different project components of the Project Site - 1.

Discounted Cash Flow Approach: The discounted cash flow method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the project site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to arrive at the sale value for the operational project components.

Residual Approach: Residual approach is adopted in valuing the unutilized land parcel vis- à-vis the property with the benefit of the proposed development scheme together with the provided information and relevant assumptions. The residual approach involves firstly the assessment of the capital value of the land parcel vis-à-vis the property on completion basis i.e. assuming completed as at the date of valuation. Estimated total cost of the construction of the development including fees, plus an allowance for interest and other associated expenditure including developer's risk and profit are deducted from the gross development value. The resultant figure is the residual value. This method is subject to a number of hypothetical assumptions/ parameters. A slight change in one or more of the assumptions/ parameters would have a significant impact on the conclusions reached.

6. GOODWILL

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Carrying amount at the beginning of the year	5,000.85	5,017.04
Exchange differences on translation of foreign operations	26.25	(9.12)
Acquisition through business combination	70.60	-
Provision for impairment of goodwill	-	(7.07)
Carrying amount at the end of the year	5,097.70	5,000.85

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments. The aggregate carrying amounts of goodwill allocated to each unit are as follows :-

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Coffee and related business	3,377.30	3,351.05
Financial services	864.79	864.79
Hospitality services	402.10	402.10
Integrated multimodal logistics	373.72	303.12
Multiple units without significant goodwill	79.79	79.79
	5,097.70	5,000.85

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

or the market capitalization as at the date of reporting. Value in use is generally calculated as the net present value of the projected post-tax cash flows, based on financial budgets approved by management at the assumptions mentioned below plus a terminal value of the cash generating unit to which the goodwill is allocated. Management has determined the values assigned to each of the key assumptions as follows:

Assumption	Approach used to determining values
Terminal value growth rate	This is the weighted average growth rate used to extrapolate revenue beyond the budget period. The rates are consistent with forecasts included in industry reports.
Discount rate	Reflect specific risks relating to the relevant segments and the countries in which they operate.
Terminal EBITDA	Operating EBITDA has been estimated based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth.

Coffee business

The key assumptions used in the estimation of the recoverable amount are set out below:

Particulars	As at 31 March 2018
Terminal value growth rate	5.0%
Discount rate	14.8%
Terminal EBITDA	21.0%

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the capital asset pricing method for respective CGU or group of CGUs. The cash flow projections included specific estimates for five years developed using internal forecasts. The planning horizon reflects the assumptions for short-to-midterm market developments. The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit. The estimated recoverable amount of the CGU exceeded its carrying amount by Rs. 19,838 million, hence impairment is not triggered.

Financial services

The key assumptions used in the estimation of the recoverable amount are set out below:

Particulars	As at 31 March 2018
Terminal value growth rate	4.0%
Discount rate	17.0%
Terminal EBITDA growth rate	11.2%

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. Discount rate reflects the current market assessment of the risks specific to a CGU. The discount rate is estimated based on the weighted average cost of capital for respective CGU. The cash flow projections included specific estimates for five years developed using internal forecasts. The planning horizon reflects the assumptions for short-to-midterm market developments. The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit. The estimated recoverable amount of the CGU exceeded its carrying amount by Rs. 2,079 million, hence impairment is not triggered.

Hospitality services

The recoverable amount of this CGU is based on fair value less cost to sell, estimated using an independent valuer report of the identified real properties under assumed earnings (in use premise) as of the March 31, 2018. The estimated recoverable amount of the CGU exceeded its carrying amount by Rs. 947 million, hence impairment is not triggered.

Integrated multimodal logistics

The recoverable amount of this CGU is based on fair value, estimated based on the market capitalization, as this represents a publicly traded group. As of March 31, 2018, the estimated recoverable amount of the CGU exceeded its carrying amount by Rs. 4,391 million, hence impairment is not triggered.

7. OTHER INTANGIBLE ASSETS

Rs in million

Particulars	License fees	Software	Total	Intangible assets under development
Cost or deemed cost:				
Balance as at 1 April 2016	190.90	208.79	399.69	83.28
Additions	-	245.50	245.50	73.48
Disposals/ capitalisation	-	-	-	(148.85)
Balance as at 31 March 2017	190.90	454.29	645.19	7.91
Balance as at 1 April 2017	190.90	454.29	645.19	7.91
Additions	0.50	68.89	69.39	20.52
Acquisition through business combination	11.90	-	11.90	-
Disposals/ capitalisation	-	(11.30)	(11.30)	-
Balance as at 31 March 2018	203.30	511.88	715.18	28.43
Accumulated amortisation				
Balance as at 1 April 2016	24.80	155.78	180.58	-
Amortisation for the year	5.90	29.83	35.73	-
Balance as at 31 March 2017	30.70	185.61	216.31	-
Balance as at 1 April 2017	30.70	185.61	216.31	-
Amortisation for the year	14.90	87.15	102.05	-
Acquisition through business combination	10.00	-	10.00	-
Disposals	-	(9.90)	(9.90)	-
Balance as at 31 March 2018	55.60	262.86	318.46	-
Carrying amount:				
As at 31 March 2017	160.20	268.68	428.88	7.91
As at 31 March 2018	147.70	249.02	396.72	28.43

8. NON-CURRENT INVESTMENTS

A. Equity accounted investees

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Investment in Equity instrument:		
Quoted		
28.06 million (31 March 2017: 28.06 million) equity shares of Mindtree Limited of Rs. 10 each fully paid up	6,289.54	5,650.35
Unquoted		
Nil (31 March 2017: 5.97 million) equity shares of Global Edge Software Private Limited of Re. 1 each fully paid up (refer note 59)	-	188.42
3.20 million (31 March 2017: 3.20 million) equity shares of Ittiam Systems Private Limited of Re. 1 each fully paid up	194.65	182.07
0.02 million (31 March 2017: 0.02 million) equity shares of Barefoot Resorts & Leisure India Private Limited of Rs. 100 each fully paid up	158.91	157.19
5.63 million (31 March 2017: 5.63 million) equity shares of PSA Sical Terminals Limited of Rs. 10 each fully paid up	230.60	148.80
1.73 million (31 March 2017: 1.73 million) equity shares of Sical Sattva Rail Terminal Private Limited of Rs. 10 each fully paid up	9.60	20.20
0.69 million (31 March 2017: 0.69 million) equity shares of Coffee Day Schaerer Technologies Private Limited of Rs 10 each fully paid up	-	1.72
	6,883.30	6,348.75

B. Other non-current investments

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Quoted		
(i). Investments carried at fair value through profit and loss		
0.05 million (31 March 2017: 0.05 million) equity shares of Sicagen India Limited of Rs. 10 each fully paid-up	1.30	1.30
(ii). Investments carried at fair value through other comprehensive income		
0.94 million (31 March 2017: 1.60 million) equity shares of Lakshmi Vilas Bank Limited of Rs. 10 each fully paid-up	92.48	266.90
Investments in equity instruments (fully paid-up) *	46.82	3.73
Unquoted		
(i.) Investments carried at fair value through profit and loss		
0.01 million (31 March 2017: Nil) 0.01% optionally convertible preference shares of Harvest Fintech Private Limited of Rs. 10 each fully paid-up	3.20	-

(ii). Investments carried at fair value through other comprehensive income		
0.13 million (31 March 2017: 0.13 million) equity shares of BGSE Properties & Securities Private Limited of Rs. 1 each fully paid-up	2.60	2.58

Particulars	As at 31 March 2018	As at 31 March 2017
0.02 million (31 March 2017: 0.02 million) equity shares of BGSE Financials Limited of Rs. 10 each fully paid-up	0.41	0.36
0.02 million (31 March 2017: Nil) equity shares of Digital Signage Networks India Private Limited of Rs. 10 each fully paid-up	0.38	-
(iii). Other investments, at cost		
Share application money pending allotment in ONS Ventures SDN. BHD	12.77	-
	159.96	274.87
Aggregate amount of unquoted investments	613.12	701.34
Aggregate amount of quoted investments	6,430.14	5,922.28
Aggregate amount of market value of quoted investments	21,798.44	12,979.90
Investments carried at fair value through other comprehensive income		
Dividend income recognised during the year	4.61	2.21
Cumulative gain/(loss) on disposal	97.70	-
Fair value	142.68	273.57

* Since the amount of individual investments are insignificant, further breakup is not provided.
Information about the Group's exposure to credit and market risks and fair value measurement, is included in note 55.

9. TRADE RECEIVABLES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Unsecured, considered good	4,797.88	4,089.05
Doubtful	348.22	394.41
	5,146.10	4,483.46
Loss allowance for doubtful debts	(348.22)	(394.41)
	4,797.88	4,089.05
Current	4,797.88	4,089.05
Non-current	-	-

Of the above, trade receivables from related parties are as below:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Total trade receivables from related parties (refer note 51)	8.15	21.08
Net trade receivables	8.15	21.08

The Group's exposure to credit and currency risks, and loss allowances related to trade receivables is disclosed in note 55.

10. NON-CURRENT LOANS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
*Secured, considered good **		
Loans and advance to clients	217.10	41.09
Unsecured, considered good		
Security deposit		
Deposits with others	1,131.36	1,001.07
Deposits with stock exchange/clearing member	64.30	57.90
Other loans		
Loans and advance to employees	4.00	4.00
Loans and advance to clients	0.90	-
	1,417.66	1,104.06

* Secured against the securities held by the clients.

11. OTHER NON-CURRENT FINANCIAL ASSETS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Fixed deposit accounts with banks*	581.69	110.39
Margin money deposits with banks	9.00	161.63
	590.69	272.02

**** Notes:***

- includes Rs. 574.61 million (31 March 2017: Rs. 106.20 million) given as security to banks for loans and various credit facilities availed by the subsidiaries.
- includes Rs. 2 million (31 March 2017: Rs. 2 million) marked as lien in favour of Insurance Regulatory Development Authority by the subsidiary.

12. DEFERRED TAX ASSETS, (NET)

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax assets		
- Unabsorbed losses	547.27	497.51
- Provision for doubtful debts	38.51	92.90
- Employee benefits	26.61	29.13
- Borrowings measured at amortized cost	-	18.72
- Rent straightlining	30.99	18.39
- Security deposit	23.21	14.91
- Excess of depreciation provided in the books over depreciation allowable under income tax laws	-	8.50
- Investment carried at fair value through other comprehensive income	4.42	4.64
- Expenditure covered under 40(a)(ia) of Income-tax Act, 1961	0.93	1.79
Deferred tax liability		
- Other disallowance under income tax laws	(94.76)	(79.06)
- Excess of depreciation allowed under Income tax Act, 1961 over depreciation as per books	(366.86)	(412.29)

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
- Net unrealised gain on open future positions	(0.40)	(2.78)
- Net gain on fair valuation of equity or debt instruments	(11.59)	(0.66)
Minimum Alternate Tax credit entitlement	578.11	444.03
	776.44	635.73

13. OTHER NON-CURRENT ASSETS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Capital advances (refer note 51)	6,919.73	4,501.21
Advances other than capital advances:		
- Balances with government authorities	208.07	203.39
- Deferred rental expense	186.17	206.88
- Taxes paid under protest	78.46	69.18
- Gratuity fund	35.50	26.30
- Prepaid expenses	32.97	20.17
- Advances for supply of goods and rendering of services	16.04	31.28
- Provident Fund demand deposited under protest	2.70	3.45
- Other advances	153.70	293.61
	7,633.34	5,355.47

14. INVENTORIES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Raw materials		
- Stock of raw coffee and packing materials	93.30	490.78
- Stock of perishables, consumables and merchandise	538.08	506.81
Finished goods of clean and roasted coffee	139.09	112.27
Stores and spares	134.60	134.70
Work-in-progress	49.26	79.44
Loose tools	1.70	1.40
	956.03	1,325.40

Carrying amount of inventories pledged as securities for borrowings (refer note 23)

15. CURRENT INVESTMENTS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Investments carried at fair value through profit and loss		
Quoted *		
- Investments in equity instruments (fully paid-up)	47.40	7.26
- Investments in mutual funds	27.40	10.48
- Investments in bonds	3.60	-

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Unquoted		
- 2.72 million (31 March 2017: Nil) equity shares of Global Edge Software Private Limited of Re. 1 each fully paid up (refer note 59)	38.87	-
	117.27	17.74
Aggregate amount of quoted investments and market value thereof	78.40	17.74
Aggregate amount of unquoted investments	38.87	-

* Since the amount of individual investments are insignificant, further breakup is not provided.
Information about the Group's exposure to credit and market risks and fair value measurement is included in Note 55.

16. CASH AND CASH EQUIVALENTS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Balances with banks		
- in current accounts	10,206.91	6,635.15
- in escrow accounts	9.64	19.05
- in fixed deposit accounts with banks (original maturity less than 3 months)	5,171.22	5,970.97
Cash in hand	58.24	62.38
	15,446.01	12,687.55

17. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Balances with banks*		
-in margin money deposits with banks	74.12	168.09
- in fixed deposit accounts with banks	1,150.10	1,638.77
	1,224.22	1,806.86

**** Notes:***
- includes Rs. 1135.45 million (31 March 2017: Rs. 1,230.61 million) given as security to banks for loans and various credit facilities availed by the Group.
- includes Rs. 11.27 million (31 March 2017: Rs. 15.49 million) held as margin money deposits against guarantees.

18. CURRENT LOANS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Secured, considered good *		
- Loans and advance to clients	58.90	121.78
Unsecured, considered good		
Security deposits		
- Security Margin money with stock exchange/ clearing house	928.50	987.61
- Other deposits	110.74	126.51
Loans to related parties (refer note 51)		
- Coffee Day Barefoot Resorts Private Limited	153.86	153.39

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
- Coffee Day Resorts MSM Private Limited	0.21	-
- Alphagrep Technologies Private limited	-	63.71
Other loans		
- Alphagrep Technologies Private limited (refer note 51)	25.80	-
- Way2Wealth Realty Private limited (refer note 51)	3.10	-
- Ess & Ess HRM Services Private limited	8.00	6.12
- Illuminati Software Private Limited	32.50	32.51
- Loans and advance to employees	21.31	39.04
- Loans and advance to clients	30.80	3.64
	1,373.72	1,534.31

* Secured against the securities held by the clients.

19. OTHER CURRENT FINANCIAL ASSETS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Derivatives instruments at fair value through OCI		
Cash flow hedges/ not designated as hedges		
- Interest rate swaps	-	6.55
Others		
Unsecured, considered good		
- Interest accrued due	42.47	124.57
- Export benefit receivable	44.06	31.07
- Receivable from exchanges	96.20	94.80
- Insurance claims	1.80	3.50
- Electricity charges recoverable	35.31	38.39
- Staff advances	33.26	38.96
- Unbilled revenue	767.82	458.51
- Receivable from clients	379.30	350.53
- Other receivables	63.23	102.66
	1,463.45	1,249.54
Unsecured, considered doubtful		
Receivable from clients	11.80	62.63
Less: Loss allowance for receivable from clients	(11.80)	(62.63)
	1,463.45	**1,249.54**

20. OTHER CURRENT ASSETS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Advances for supply of goods and rendering of services	1,026.16	1,028.83
Prepaid expenses	953.17	894.65
Statutory advances	-	86.60

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Balances with government authorities	119.94	87.46
Deferred rental expense	81.35	56.90
Service tax credit receivable	10.90	27.80
Other advances	133.68	69.44
	2,325.20	**2,251.68**

21. EQUITY SHARE CAPITAL

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Authorised *		
270,834,000 (31 March 2017: 270,584,000) equity shares of Rs 10 each	2,708.34	2,705.84
Issued, subscribed and fully paid up		
211,251,719 (31 March 2017: 206,001,719) equity shares of Rs 10 each	2,112.52	2,060.02
	2,112.52	**2,060.02**

* The Company also has an authorised share capital of 3,500,000 (31 March 2017: 3,500,000) compulsorily convertible preference shares of Rs.10 each.

A. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year is as given below:

Rs in million (except share data)

	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount	No of shares	Amount
Number of shares outstanding at the beginning of the year	206,001,719	2,060.02	206,001,719	2,060.02
Add: Shares issued during the year	5,250,000	52.50	-	-
Number of shares outstanding at the end of the year	**211,251,719**	**2,112.52**	**206,001,719**	**2,060.02**

B. The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

Equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time, subject to preferential right of preference shareholders to payment of dividend. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid.Failure to pay any amount called up on shares may lead to their forfeiture. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

C. Equity shareholders holding more than 5% of equity shares along with the number of equity shares held at the beginning and at the end of the year is as given below:

Name of the shareholder	As at 31 March 2018		As at 31 March 2017	
	% of holding	No of shares	% of holding	No of shares
Equity shares				
Mr. V G Siddhartha	32.75%	69,174,700	33.58%	69,174,700
KKR Mauritius PE Investments II Limited	6.07%	12,826,912	10.60%	21,826,912
NLS Mauritius LLC	10.61%	22,412,992	10.88%	22,412,992
Devadarshini Info Technologies Private Limited	5.87%	12,408,440	6.02%	12,408,440
Coffeeday Consolidations Private Limited	5.81%	12,268,416	5.96%	12,268,416
Marina West (Singapore) Pte. Ltd.	5.40%	11,402,901	5.54%	11,402,901
Gonibedu Coffee Estates Private Limited	5.24%	11,071,104	5.37%	11,071,104

D. During the five year period ended 31 March 2018:

102,140,857 equity shares were allotted as fully paid-up bonus shares to the existing shareholders of the Company in the ratio of seven equity shares for every one equity share held on 7 May 2015. The bonus equity shares were issued by capitalisation of the reserves lying to the credit of the securities premium account of the Company. The Company has not bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

22. OTHER EQUITY

Summary of other equity balances

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Reserves and Surplus		
- Debenture redemption reserve	501.55	287.41
- General reserve	64.05	0.01
- Share options outstanding account	1.21	64.67
- Reserve fund (As per 45IC of Reserve Bank of India, 1934)	4.16	1.86
- Capital reserve	309.90	309.90
- Non-controlling interest reserve	(1,416.73)	(1,342.61)
- Securities premium	23,148.28	21,745.42
- Retained earnings	(785.38)	(1,733.83)
Other comprehensive income		
- Foreign currency translation reserve	(3.58)	(2.69)
- Equity instruments through other comprehensive income	(29.85)	110.55
- Cash flow hedges reserve	(7.80)	(8.04)
- Other items of other comprehensive income	(122.25)	(142.53)
	21,663.56	**19,290.12**

*Refer consolidated statement of changes in equity for detailed movement in other equity balances.

Nature and purpose of other equity:

Debenture redemption reserve

Debenture redemption reserve is created out of the profits which is available for payment of premium for the purpose of redemption of debentures.

General reserves

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit and loss.

Share options outstanding account

The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to employee stock options outstanding account.

Reserve fund (as per section 45IC of RBI Act 1934)

Reserve fund represents the accumulation of amount transferred from surplus year on year based on the fixed percentage of profit for the year, as per section 451C of Reserve Bank of India Act 1934.

Capital reserve

Share of pre-acquisition profits of subsidiaries at the time of acquisition by the Group is accounted as capital reserve.

Securities premium

Securities premium account comprises of the premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to investors.

Foreign currency translation reserve

This reserve comprises of all foreign currency differences arising from the translation of the financial statements of foreign operations to functional currency.

Equity instruments through other comprehensive income

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income that have been recognised in other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off and the income tax thereon.

Cash flow hedges reserve

The effective portion of cash flow hedge represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedges reserve will be reclassified to profit and loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Non-controlling interest reserve

The changes in parent's ownership interest without loss of control in the subsidiary are treated as equity transactions, whereby any difference between the amount by which the non controlling interest is adjusted and the fair value of the consideration paid or received is recognised in equity and attributed to the parent's equity holders.

Other items of other comprehensive income

The cumulative balances of share of income or loss from associates and joint ventures from other comprehensive income net of taxes has been recognised.

23. NON-CURRENT BORROWINGS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Secured:		
- Debentures	4,863.93	6,755.57
- Term loans	20,721.38	21,143.11
- Long-term maturities of finance lease obligations	11.57	3.36
Unsecured:		
- Debentures	1,417.26	3,027.40
- Term loans	4,911.47	1,104.82
	31,925.61	**32,034.26**

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 55.

Reconciliation of movements of liabilities to cash flows arising from financing activities

Rs in million

Particulars	Amount
Non-current borrowings	32,034.26
Current borrowings	5,416.74
Other current financial liabilities (current maturities of borrowings)	7,040.86
Less: Bank overdraft included in current borrowings	(234.94)
Balance at 1 April 2017:	**44,256.92**
Changes from financing cash flows:	
Proceeds from borrowings	33,535.75
Repayment of borrowings	(28,435.91)
Fair value changes	258.25
Non-current borrowings	31,925.61
Current borrowings	8,109.14
Other current financial liabilities (current maturities of borrowings)	10,464.28
Less: Bank overdraft included in current borrowings	(884.02)
Balance at 31 March 2018	**49,615.00**

A. Terms and conditions of outstanding borrowings

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Rabobank International Limited	Secured	Term loan	916.32	1,163.16	Secured by ☐ Personal guarantee of the V. G. Siddhartha; ☐ Charge on specific movable assets of the Company; and ☐ First ranking equitable mortgages on the following immovable properties– → Converted land of 2 estates with building located in Mangalore owned by Tanglin Developments Limited; → Land and building located in Hassan, owned by Ganga Coffee Curing Works; and → Land located in Palace Road, Bangalore owned by the Company with a carrying amount of Rs 79.00 million as at 31 March 2018 (31 March 2017: 79.00 million). ☐ Second ranking equitable mortgage on the land and buildings of the Corporate Headquarters of the Company located at Vittal Mallya Road, Bangalore with a carrying amount of Rs 1,239.26 million as at 31 March 2018 (31 March 2017: 1,314.12 million) ☐ Loan from Rabobank International, Hong Kong carries a floating interest rate of LIBOR plus 3.5% margin p.a and is repayable in 8 biannual installments commencing from February 2017.

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
ICICI Prudential Asset Management Company	**Secured**	**Debentures**	**1,004.36**	-	☐ As at the year end the paid up value of these debentures is Rs. 1,000 million including current maturities of long-term debt [i.e., 1000 secured rated redeemable non-convertible debentures of Rs. 1,000,000 each (31 March 2017: Rs. 1000 million)] ☐ These debentures carry interest @ MIBOR plus 600 base points subject to a minimum of 10.99% and maximum of 11.01% ☐ Security → Pledge of shares of Mindtree where the aggregate amount shall be equal to the principal amount. → Pledge of shares of CDGL where the aggregate amount shall be 2.5 times the benchmark amount from the allotment date and atleast 1.5 times the benchmark amount from the effective date of issue of Mindtree shares. → Personal guarantee of Mr. V. G. Siddhartha. ☐ The Company at all times shall maintain a minimum reserve which shall be equal to the money due and payable to the debenture holders. ☐ The amount shall be paid on bullet repayment basis on the expiry of the term. (i.e.; 11 March 2019) ☐ Amounts unpaid on due date will attract overdue interest at 2% p.a over and above the cash coupon rate. ☐ The Company can redeem such debentures before maturity by giving one day notice of the same."
ICICI Prudential Asset Management Company	Secured	**Debentures**	894.76	-	☐ As at the year end, the paid up value of these debentures is Rs. 850 [i.e., 850 secured rated redeemable non convertible debentures of Rs.1 million each (31 March 2017 :Nil)] ☐ Security → Pledge of shares of Mindtree where the aggregate amount shall be equal to the principal amount.; → Pledge of shares of CDGL where the aggregate amount shall be 2.5 times the benchmark amount from the allotment date and atleast 1.5 times the benchmark amount from the effective date of issue of Mindtree shares. ☐ Personal guarantee of Mr. V. G. Siddhartha. ☐ MIBOR plus 600 base points subject to a minimum of 10.99% and maximum of 11.01% ☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay. ☐ The amount shall be paid on bullet repayment basis on the expiry of the term of 2 years. ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement."
DSP Blackrock Income opportunities Fund	Secured	**Debentures**	1,082.89	-	☐ As at the year end, the paid up value of these debentures is Rs. 1,050 million including current maturities of long-term borrowings (31 March 2017 : Rs. 1,050 million) ☐ Security → Pledge of shares of Mindtree where the aggregate value is equal to the benchmark amount → Pledge of TDL Shares where the aggregate value of the shares is equal to the benchmark amount - The Company shall at all times, deposit monies in the designated accounts which is due and payable to the debenture holders on the Scheduled Maturity Date. → Personal guarantee of Mr. V G Siddhartha. ☐ These debentures carry fixed redemption premium of 11.50 % with an interest rate of 8% p.a. cash coupon ☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay.

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
					☐ These debentures are redeemable by way of bullet repayment at the end of 19 months and 6 days from the date of issue (i.e., 25 October 2018) ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement."
HDFC Bank Limited	Secured	**Loan repayable on demand**	430.40	130.25	☐ Bank overdraft facility from bank is secured by fixed deposits with the bank, and is repayable on demand. ☐ Rate of interest: 1% (P.Y. 0.75%-2%) in addition to the rate of interest carried by underlying fixed deposits. ☐ Rate of interest is 1 year LIBOR + (1% to 1.6%)."
Bajaj Finance Limited	Secured	**Loan repayable on demand**	127.10	36.02	☐ Loans are borrowed against securities. ☐ Rate of interest Bajaj Finance Limited 9.5% (PY 9.5% to 11%)"
Edelweiss Finance Limited	Secured	**Loan repayable on demand**	27.50	-	☐ Rate of interest: 10%. ☐ The loan is repayable 12 months from the date of disbursement/ renewal or mutually agreed terms."
Birla Sunlife Trustee Company Private Limited	Secured	**Debentures**	1,200.00	-	☐ As at the year end, the paid up value of these debentures is Rs. 1,200 million including current maturities of long-term borrowings (31 March 2017: Rs. 1,200 million) ☐ Security → Pledge of a proportion of the shares of Mindtree Limited and Coffee Day Global Limited held by the Company; → Pledge of a proportion of the shares of Sical Logistics Limited held by Tanglin Retail Reality Developments Private Limited → Personal guarantee of Mr. V. G. Siddhartha ☐ These debentures have been allotted in two tranches- 27 April 2015- Rs. 600 million and 12 May 2015- Rs. 600 million. ☐ These debentures carry an interest rate of 14.5% p.a. (increases to 15.5% after one year from date of allotment) ☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay. ☐ These debentures are redeemable by way of bullet repayment at the end of 36 months from the date of issue i.e., 26 April 2018 (Rs. 600 million) and 11 May 2018 (Rs. 600 million). ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement.
Aditya Birla Finance Limited	Secured	Term loan	1,528.81	-	☐ [Principal amount of loan amounting to Rs. 600 million including current maturities of long-term borrowings(31 March 2017 Rs. 600 million) - Secured by ☐ Security → Pledge of a proportion of the shares of Mindtree Limited, Coffee Day Global Limited, Sical Logistics Limited held by the Company; → Personal guarantee of Mr. V. G. Siddhartha ☐ The loan carries an interest rate of 13.75% p.a. payable quarterly ☐ Any delay in repayment of interest entails payment of penal interest @ 24% p.a. for the period of delay. ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the arrangement. Further, the Company has an option to repay the loan in advance with a prepayment premium of 2% on the principal amount outstanding as on the date of prepayment. ☐ The loan is repayable by way of bullet repayment at the end of 36 months from the date of issue (i.e., 26 May 2018).

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
					☐ [Principal amount of loan amounting to Rs. 600 million including current maturities of long-term borrowings(31 March 2017 Rs. 600 million) - Secured by ☐ Security → Pledge of a proportion of the shares of Mindtree Limited, Coffee Day Global Limited, Sical Logistics Limited held by the Company; → Personal guarantee of Mr. V. G. Siddhartha ☐ The loan carries an interest rate of 13.75% p.a. payable quarterly ☐ Any delay in repayment of interest entails payment of penal interest @ 24% p.a. for the period of delay. ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the arrangement. Further, the Company has an option to repay the loan in advance with a prepayment premium of 2% on the principal amount outstanding as on the date of prepayment. ☐ The loan is repayable by way of bullet repayment at the end of 36 months from the date of issue (i.e., 26 May 2018). ☐ [Principal amount of loan amounting to Rs. 930 million including current maturities of long-term borrowings (31 March 2017 Rs. 930 million;) - Secured by ☐ Security - Pledge of a proportion of the shares of Mindtree Limited and Tanglin Developments Limited held by the Company; - Personal guarantee of Mr. V. G. Siddhartha ☐ The loan carries an interest rate of 12.50% p.a. payable quarterly ☐ Any delay in repayment of interest entails payment of penal interest @ 24% p.a. for the period of delay. ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the arrangement. Further, the Company has an option to repay the loan in advance with a prepayment premium of 2% on the principal amount outstanding as on the date of prepayment. ☐ The loan is repayable by way of bullet repayment at the end of 36 months from the date of issue (i.e., 26 May 2018). "
HDFC Bank Limited	Secured	Term loan	1.40	2.57	☐ Bank loan is secured by the respective vehicles financed, the loan is repayable in 36 EMIs, the loan interest is 9.25 % p.a (P.Y.:9.25%)
Kotak Mahindra Investments Limited	Secured	Term loan	456.40	495.19	☐ Pledge of shares of Mindtree Limited, Sical Logistics Limited and Coffeeday Global Limited. ☐ Personal guarantee of Mr. V G Siddhartha. ☐ Rate of interest 12.50% p.a. compounded monthly and payable quarterly. Loan carries effective interest rate of 12.81% p.a. Loan is repayable within 60 months from date of first disbursement (first disbursement being March 2016)"
HDB Financial Service Limited	Secured	Term loan	10.60	12.80	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 11.00% (Previous year: 11.00%).
Tata Motor Finance Limited	Secured	Term loan	42.20	94.30	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 10.28% (Previous year: 10.28%).

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Axis Bank Limited	Secured	Term loan	3,104.39	922.36	☐ Security - Pledge of Mindtree shares (55% of total security cover). - Listed shares of Sical Logistics Ltd./ Lakshmi Vilas Bank/ the company/ any other listed entity acceptable to the lender (65% of total security cover), held by promoter/ group covering 120% of exposure. - Personal guarantee of Mr. V G Siddhartha - Security cover by way of listed shares of at least 1.2x of the outstanding/ disbursed facility amount to be maintained during the tenor of the loan on MTM basis. ☐ The interest rate for the loan is as follows: - 1 year MCLR+ 1%(Spread) p.a, payable monthly (First three years) - 1 year MCLR+ 1.75%(Spread) p.a, payable monthly (subject to minimum effective rate of interest of 10.65% p.a) (Post three years) ☐ The lender can exercise the call option at the end of three years ☐ The Company has an option of voluntary prepayment with no penalty ☐ The loan amount shall be repaid in 4 half yearly instalments beginning from 42nd month of first disbursement (i.e., 28 June 2020) ☐ Amounts unpaid on due date will attract overdue interest at 2% p.a."
ICICI Prudential Asset Management Company	Secured	**Deben-tures**	628.95	-	☐ As at the year end, the paid up value of these debentures is Rs. 600 [i.e., 600 secured rated redeemable non convertible debentures of Rs.1 million each (31 March 2017 :Nil)] ☐ Security - Pledge of shares of Mindtree where the aggregate amount shall be equal to the principal amount.; - Pledge of shares of CDGL where the aggregate amount shall be 2.5 times the benchmark amount from the allotment date and atleast 1.5 times the benchmark amount from the effective date of issue of Mindtree shares. ☐ Personal guarantee of Mr. V. G. Siddhartha. ☐ These debentures carry a fixed maturity internal rate of return of 11% p.a ☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay. ☐ The amount shall be paid on bullet repayment basis on the expiry of the term of 2 years. ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement."
ICICI Prudential Asset Management Company	Secured	**Deben-tures**	945.12	-	☐ As at the year end, the paid up value of these debentures is Rs. 900 [i.e., 900 secured rated redeemable non convertible debentures of Rs.1 million each (31 March 2017 :Nil)] ☐ Security - Pledge of shares of Mindtree where the aggregate amount shall be equal to the principal amount.; - Pledge of shares of CDGL where the aggregate amount shall be 2.5 times the benchmark amount from the allotment date and atleast 1.5 times the benchmark amount from the effective date of issue of Mindtree shares. ☐ Personal guarantee of Mr. V. G. Siddhartha. ☐ MIBOR plus 600 basis points subject to a minimum of 10.99% and maximum of 11.01%.

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
					☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay. ☐ The amount shall be paid on bullet repayment basis on the expiry of the term of 2 years. ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement."
ECL Finance Limited	Secured	Term loan	53.10	1,000.00	☐ The facility carries interest at ECL Prime Lending Rate (EPLR) minus 300 basis points per annum, subject to minimum of 14.5% p.a payable monthly and the loan is secured by: ☐ Pledge of shares of Sical Logistics Limited held by the company ☐ Pledge of shares of Coffee Day Enterprises Limited held by group companies ☐ Pledge of shares of Mindtree Limited held by group companies ☐ Corporate Guarantee of Tanglin Developments Limited ☐ Personal guarantee of Mr. V.G. Siddhartha ☐ Tenure of Loan - 36 months from the first drawdown date (i.e. 19/05/2015) ☐ Repayment is to be done at the end of 36 months commencing from the first drawdown date or on demand whichever is earlier ☐ Out of the credit availed, Rs. 9,46,900 thousands was prepaid during the year 2017-18."
Volkswagen Financial Services India Private Limited	Secured	Term loan	0.60	1.00	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2017 is 8.95%.
Kotak Mahindra Investments Limited	**Unse-cured**	Term loan	694.37	59.31	☐ The facility of Rs. 500 million carries interest rate of 11.50%p.a compounded monthly, payable on calendar quarterly rests and the loan is secured by: ☐ Pledge of Mindtree shares Limited held by group entities ☐ Pledge of equity shares of Coffee Day Global Limited held by the ultimate holding company ☐ Personal guarantee of Mr. V.G. Siddhartha ☐ Tenure of Loan - 60 months from the date of first disbursement (28/02/2018) ☐ Repayment is to be done at the end of 60 months from the date of first disbursement The facility of Rs. 399 million carries interest rate of 15.00%p.a compounded monthly, payable quarterly and the loan is secured by: ☐ Pledge of Mindtree shares Limited Capped at Rs. 12.50 crores ☐ Pledge of 10,81,15-0 shares of Coffee Day Global Limited Capped at Rs. 12.50 crores ☐ Pledge of shares of Sical Logistics Limited towards additional security ☐ Personal guarantee of Mr. V.G. Siddhartha ☐ Tenure of Loan - 60 months from the date of first disbursement ☐ Repayment is to be done at the end of 60 months from the date of first disbursement or on exercise of call/ put option by the lender or borrower respectively ☐ Out of the credit availed, Rs. 190 million was repaid during the year 2016-17 and Rs. 19 million was prepaid during the year 2017-18"

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Kotak Mahindra Prime Limited	Secured	Term loan	209.25	199.81	☐ The facility of Rs. 273 million carries interest rate of 12.50% p.a compounded monthly, payable quarterly and the loan is secured by: ☐ Pledge of shares of Mindtree Limited held by group companies ☐ Pledge of shares of Coffee Day Global Limited held by the ultimate holding company ☐ Pledge of shares of Sical logistics Limited towards additional security ☐ Guarantee of pledger ☐ Personal guarantee of Mr. V.G. Siddhartha ☐ Tenure of Loan - 36 months from the date of first disbursement of this facility ☐ Repayment is to be done at the end of 36 months from the date of first disbursement or on exercise of call/ put option by the lender or borrower respectively ☐ Out of the credit availed, Rs. 48.50 million was prepaid during the year 2016-17 and Rs. 14.50 million was prepaid during the year 2017-18."
Standard Chartered Investments and Loans (India) Limited	Secured	Term loan	944.86	942.40	☐ The facility carries interest rate of 11.50% p.a. payable monthly and the loan is secured by: ☐ Pledge of shares of Mindtree Ltd held by group companies ☐ Pledge of shares of Sical Logistics Ltd held by the company ☐ Mortgage of property situated at Mangalore held by Tanglin Developments Ltd ☐ Personal Guarantee of Mr. V.G. Siddhartha ☐ Tenure of Loan - 24 months and 10 days (credit availed on 28/03/2018) ☐ The credit availed has to be repaid at the end of 24 months commencing from first utilisation date"
Oriental Bank of Commerce Limited	Secured	**Loan repay-able on demand**	**363.64**	334.13	Secured by ☐ Foreign documentary demand/ usance bill having maximum usance of 270 days accompanied by Airways bills/ Bill of Lading and drawn under irrevocable letter of credit/ confirmed orders only towards bills purchased; ☐ Hypothecation of stock of coffee at Hassan earmarked for export and advance paid to planters; ☐ Equitable/ Registered mortgage of non agricultural industrial land in the name of Classic Coffee Curing Works at Chikmagalur; and ☐ Personal guarantee of the Managing Director and relatives of the Managing Director."
HSBC Bank Limited	Secured	**Loan repay-able on demand**	100.00	100.00	Secured by ☐ Exclusive charge over movable assets, both present and future of the Company's outlets (café's) with asset cover of 1.75x. ☐ Personal Guarantee of Managing Director."
Yes Bank Limited	Secured	**Loan repay-able on demand**	7.77	-	Secured by ☐ Charge on all current assets of vending division (minimum cover of 1x) ☐ Personal guarantee of V. G. Siddhartha"
Kotak Mahindra Bank Limited	Secured	**Loan repay-able on demand**	142.98	140.57	Secured by ☐ Exclusive charge over movable fixed assets of 474 xpress kiosk."

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Ratnakar Bank Limited	Secured	**Loan repayable on demand**	540.45	-	Secured by ☐ Exclusive charge over movable fixed assets of 100 café outlets and 2,146 vending machines."
Tata Capital Financial Services Limited	**Unsecured**	Term loan	987.05	595.51	☐ The credit availed carries an interest of 10.80% p.a. payable quarterly and the loan is secured by: ☐ Pledge of unencumbered shares of Mindtree Limited held by group entities ☐ Pledge of unencumbered shares of Coffee Day Global Limited held by the ultimate holding company ☐ Mortgage of property situated at Mangalore city admeasuring 6.76 acres standing the name of Tanglin Developments Limited ☐ Corporate guarantee of Tanglin Developments Limited ☐ Personal guarantee of Mr. V.G. Siddhartha ☐ The tenure of this facility is 36 months from the first drawdown date (24/7/2017) ☐ A bullet repayment at the end of 36 months"
Standard Chartered Investments and Loans (India) Limited	Secured	Term loan	550.00	550.00	☐ Pledge of a proportion of the shares of Mindtree Limited and SLL held by the TRR, CDTL and TRR ; ☐ Mortgage of immovable properties owned by TDL ☐ Personal guarantee of Mr V G Siddhartha and Corporate guarantee of certain group companies ☐ The loan carries an interest of 11.5% p.a with reset on the relevant interest reset dates payable monthly ☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay. ☐ The principal amount shall be repaid on or before the termination date i.e. 24 months and 10 days (i.e., 7 April 2020)"
Yes Bank Limited	Secured	Term loan	185.00	-	☐ Charge on the property of the company, hypothecation of all current assets and movable fixed assets of the company ☐ Personal guarantee of the Promoter. ☐ The loan carries interest rate of 4.45% over and above the bank's 6 months MCLR, which is repayable in quarterly repayment commencing from FY19 and ending in FY28."
Oriental Bank of Commerce Limited	Secured	Term loan	102.25	152.50	☐ First charge over specific fixed assets. ☐ Personal guarantee of the Promoter. ☐ The loan carries interest rate of bank rate plus 4.35% bank spread and is repayable in 28 quarterly instalments commencing from September 2013 and ending in June 2020. The maturity date of the loan is 30.06.2020"
Axis Bank Limited	Secured	**Loan repayable on demand**	0.42	0.51	☐ Hypothecation of stocks and receivables. ☐ Charge over movable fixed assets of the subsidiary."
Clix Capital Services Private Limited	Secured	Term loan	1,000.00	750.00	☐ Pledge of shares of CDGL, the company and SLL aggregating of which shall be equal to 2.5 times the Benchmark amount ☐ Personal guarantee of Mr. V. G. Siddhartha ☐ Irrevocable and unconditional corporate Guarantee of TRR and the company ☐ The Loan carries an interest of carry interest @ 12% p.a payable monthly ☐ The amount shall be paid on bullet repayment basis on the expiry of the term. (i.e. 31st October, 2020) ☐ Amounts unpaid on due date will attract overdue interest at 2% p.a over and above the interest rate."

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
IDFC Bank Limited	Secured	**Debentures**	900.00	1,000.00	☐ The Group Company had raised a sum of Rs. 1,000 million through issue of 1,000 Nos. secured listed 11% Non-convertible debentures of Rs.1 million each against the security of dredger belonging to the subsidiary company viz Norsea Offshore India Ltd for the purpose of redeeming the then existing debentures of Kotak Mahindra [earlier ING Vysya Bank Limited]. ☐ The NCDs are listed in NSE. The IDBI Trusteeship Services Ltd has been appointed as the debenture trustees. ☐ Debentures are redeemable on 25 June 2021."
Karnataka Bank Limited	Secured	**Loan repayable on demand**	711.84	377.64	Secured by ☐ Hypothecation of stocks of coffee beans located at Chikmagalur and advance paid to planters; ☐ Hypothecation of goods covered under export bills; ☐ Further, the loan is collaterally secured by - - Deposit of title deeds of a property belonging to a relative of Promoter; - Personal guarantee of Promoter and relatives of Promoter; and - Promissory note provided by the Company and the Promoter."
ICICI Bank Limited	Secured	Term loan	0.03	1.24	Secured by hypothecation of vehicles. ☐ This loan carries an interest rate within a range of 11.10% p.a. to 11.75% p.a. The principal amount has to be repaid in equal instalments over the period of loan in respect of each vehicle."
Ratnakar Bank Limited	Secured	**Debentures**	1,100.00	1,000.00	☐ The Group Company has raised a sum of Rs.1,000 million through issue of 1000 Nos. Secured listed 11% Non-convertible debentures of Rs.1 million each against the security of - (a) Exclusive first ranking mortgage on 0.60 acres of land situated at Anupampattu Village, Ponneri Taluk, Thiruvallur District, Tamil Nadu; (b) Exclusive first mortgage charge on land (admeasuring 19.5 acres) & Building situated there on at Minjur, Chennai; (c) First Pari passu mortgage charge along with existing charge holder on land (admeasuring around 2.248 acres) owned by SMART covering access road to above mentioned land & building; (d) Exclusive first charge over specific plant & machinery/ movable fixed assets (i.e. 2 rakes & 1,030 Containers) and (e) Unconditional and irrevocable Corporate Guarantee of SICAL Logistics Limited. ☐ The NCDs are listed in NSE. The IDBI Trusteeship Services Ltd has been appointed as the debenture trustees. ☐ The debentures are redeemable in 10 semi-annual step-up tranches with a moratorium of 18 months with a total maturity period of 72 months. Interest on NCDs is payable semi-annually."
Canara Bank Limited	Secured	Term loan	1,125.10	750.00	☐ The Group Company has taken a secured term loan of Rs. 400 million during FY 2013-14, Rs 100 million in FY 2014-15, Rs. 500 million in FY 2016-17 and Rs. 500 million during the year against (1) security of pari pasu second charge over current assets and movable fixed assets of The Group Company (2) office building at Kolkata and Mumbai as collateral security with a moratorium period of 12 months. Loan is repayable in 16 equal quarterly instalments. ☐ The interest rate as on 31 March 2018 is 11.55% (Previous year: 11.55%) which is linked to MCLR."

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Indusind Bank Limited	Secured	Term loan	685.00	688.40	☐ The Group Company has taken a term loan of Rs. 270 million during the FY 2013-14 against security of pari-passu charge on the Ennore Project Assets. Loan is repayable in 84 equal monthly instalments. The interest rate as on 31 March 2018 is 10.85% (Previous year: 10.98%) which is linked to the MCLR. ☐ The Group Company had taken a term loan of Rs. 70 million during FY 2016-17 for general corporate purposes. Loan is repayable in 45 equal monthly instalments. The Group Company had also availed Rs. 521 million of term loan during FY 2016-17. Loan is repayable in 59 step-up monthly instalments including 3 months of moratorium. The interest rate as on 31 March 2018 is 10.85% (Previous year: 10.98%) which is linked to the base rate. The securities offered for these loans are as below. a) charge on receivables from Ennore project; b) pari-passu charge on the Ennore project assets and c) exclusive charge on the office building located at 11, 12, 13, 14 and 15 Rajgiri Chambers, Mumbai. The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 11.00% (Previous year: 11.00%). ☐ The Group Company has availed a term loan of Rs. 130 million during the current financial year for general corporate purposes. Loan is repayable in 55 monthly step-up instalments. The interest rate as on 31 March 2018 is 10.56% (Previous year: Nil) which is linked to the MCLR. The securities offered for these loans are same as term loan above."
Bank of Baroda Limited	Secured	Term loan	1,010.70	1,224.90	☐ The Group Company had taken term Loan of Rs 750 million during the FY 2014-15 against security of certain Immovable properties (Land) for carrying out CAPEX and other expenditure for work orders awarded from Neyveli Lignite Corporation Limited and Mahanadi Coal fields Limited, with a moratorium period of 12 months. Loan is repayable in step up 16 quarterly instalments. The interest rate as on 31 March 2018 is 11.25% (Previous year: 13.10%) which is linked to the MCLR. ☐ The Group Company has taken term loan of Rs 35 million secured by way of hypothecation charge of assets created out of term loan. The loan is repayable in 21 monthly instalments. The interest rate as on 31 March 2017 is 11.40% (Previous year: Base Rate +1.75% being 11.40%). ☐ The Group Company has taken term loan of Rs 9,41 million against security of equitable mortgage of land and building situated at CFS Minjur comprising of 35.50 acres of land and charge on assets created out of term loan, with a moratorium period of 12 months. Loan is repayable in step up 24 quarterly instalments. The interest rate as on 31 March 2017 is 11.40% (Previous year: Base Rate +1.75% being 11.40%)."
Chola-mandalam Finance Limited	Secured	Term loan	107.60	130.70	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 10.39% (Previous year: 10.39%).

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
South India Bank Limited	Secured	Term loan	333.30	500.00	☐ The Group Company had taken a term loan of Rs. 500 million during the FY 2015-16 to meet its capital expenditure requirements against (1) security of movable fixed assets to be funded out of the loan amount (2) land at Kilacherry and Satharai, Tamilnadu, with a moratorium period of 24 months. ☐ Loan is repayable in 12 equal quarterly instalments. ☐ The interest rate as on 31 March 2018 is 11.00% (Previous year: 12.80%) which is linked to the MCLR."
Yes Bank Limited	Secured	Term loan	2,185.90	2,796.10	☐ The Group Company had taken a term loan of Rs. 1,300 million during the FY 2015-16 to meet its capital expenditure requirements against security of fixed and current assets, with a moratorium period of 6 months. Loan is repayable in 18 quarterly instalments. The interest rate as on 31 March 2018 is 10.40% (Previous year: 14.50%) which is linked to the MCLR. ☐ The Group Company has taken a term loan of Rs. 1,050 million to meet its capital expenditure requirements against security of subservient charge over fixed and current assets. Loan is repayable in 10 step-up quarterly instalments, including moratorium of 6 months. The interest rate as on 31 March 2018 is 10.40% (Previous year: 11.25%) which is linked to the MCLR. ☐ The Group Company had obtained Rs. 8,00 million term loan facility during FY 2012-13. This term loan is secured by subservient charge over dredger. The tenor of the loan is 84 months including a moratorium of 36 months followed by 16 quarterly repayment. The interest rate as on 31 March 2018 is 10.70% (Previous year: 10.70%) which is linked to the MCLR. ☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 10.75% (Previous year: 10.75%)."
Axis Bank Limited	Secured	Term loan	191.10	92.40	☐ The loan is secured by a charge on the assets purchased out of the loan. ☐ The interest rate as on 31 March 2018 is 9.52% (Previous year: 9.52%). ☐ During the year the Group company has obtained a sanctioned credit limit of Rs. 550 million against the security of the assets purchased out of the loan for its mining projects. ☐ The loan is repayable in 6 years with a moratorium of 1.5 yrs and 18 quarterly step-up repayment thereafter. The interest rate as on 31 March 2018 is 9.43% (Previous year: Nil)."
Kotak Mahindra Bank Limited	Secured	Term loan	51.50	62.20	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 10.01% (Previous year: 10.01%).
DCB Bank Limited	Secured	Term loan	156.00	168.80	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 9.72% (Previous year: 10.00%) which is linked to the MCLR.

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Ratnakar Bank Limited	Secured	Term loan	627.50	776.80	☐ The loan is secured by (1) first exclusive charge over the current assets (including stock, receivables etc) both present and future of The Group Company (2) first exclusive charge over the moveable and immovable fixed assets both present and future of The Group Company and (3) Unconditional & irrevocable corporate guarantee of the holding company. ☐ The loan is repayable in 60 equal monthly instalments. The interest rate as on 31 March 2018 is 11.50% (Previous year: Nil). ☐ The loan from bank is secured by (1) exclusive charge on current assets of The Group Company (2) an unconditional and irrevocable corporate guarantee of Sical Logistics Limited and (3) Pledge of shares to the extent of 30% shareholding of Sical Logistics Limited in The Group Company . The loan is repayable over 32 months including a moratorium period of 2 months. The interest rate as on 31 March 2018 is 11.70% (Previous year:12.45%)."
Standard Chartered Bank Limited	Secured	Term loan	912.00	-	☐ The Group Company has availed a term loan of Rs. 1,000 million during the current year towards pre-operative expenses and payments of fees, costs and expenses in relation to specific mining projects. Rs. 450 million loan is repayable in 32 monthly step-up instalments and Rs. 550 million loan is repayable in 48 monthly step-up instalments. The securities offered for the credit facilities are as below - a) first ranking exclusive security interest over the Accounts and/or any other operating account established in relation to the specific mining projects, cash flows and distributions and agreements in relation to the specific mining projects and all monies, securities, instruments and/or cash equivalents deposited or required to be deposited in the Collection Account and/or any other operating account established in relation to the specific mining projects b) a first ranking security interest over all receivables in relation to the specific mining projects c) a second ranking security interest over the dredger belonging to the subsidiary company viz Norsea Offshore India Ltd"
Corporation Bank Limited	Secured	Term loan	88.30	-	☐ The loan is secured by a charge on the assets purchased out of the loan with a moratorium of 2 years and 12 half yearly step-up repayment. The interest rate as on 31 March 2018 is 10% which is linked to the MCLR. (Previous year: Nil).
SREI Infra-structure Finance Limited	Secured	Term loan	348.10	442.90	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 9.47% (Previous year: 9.47%).
Sundaram Finance Limited	Secured	Term loan	140.10	191.40	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 10.34% (Previous year: 10.34%). ☐ The loan is secured by a charge on the purchased assets - trailers. The interest rate as on 31 March 2017 is 10.75% (Previous year: 10.75%)."
Tata Motor Finance Limited	Secured	Term loan	96.80	73.40	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 10.79% (Previous year: 10.79%).

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Daimler Financial Services India Private Limited	Secured	Term loan	217.80	311.90	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 10.66% (Previous year: 10.66%).
Reliance Commercial Finance Limited	Secured	Term loan	24.10	33.40	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 13.50% (Previous year: 13.50%).
Siemens Financial Services Private Limited	Secured	Term loan	53.60	15.10	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 9.60% (Previous year: 9.60%).
Volvo Financial Services India Private Limited	Secured	Term loan	185.50	209.30	☐ The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2018 is 8.95% (Previous year: 8.95%).
Bank of Baroda Limited	Secured	**Loan repay-able on demand**	2,065.50	1,988.70	☐Working capital facility is secured by composite hypothecation of entire raw materials, stock in process, stores and spares, packing material, finished goods, plant and machinery etc and book debts and trade advances of The Group Company both present and future as well as equitable mortgage of certain immovable properties. The interest rate as on 31 March 2018 is 10.00% (Previous year: 11.90%) which is linked to the MCLR. ☐ Working capital facility is secured by composite hypothecation agreement for hypothecation of entire raw materials, stock-in-process, stores & spares, packing materials, finished goods, etc and Book-debts & trade advance of The Group Company , both present & future of CFS division. The interest rate as on 31 March 2017 is 11.40% (Previous year: Base Rate +1.75% being 11.40%)."
DCB Bank Limited	Secured	**Loan repay-able on demand**	50.00	-	☐ The Group Company has availed a short-term loan ('STL') facility amounting to Rs. 50 million with a tenure of 12 months. The STL is secured by (1) subservient charge on current assets of the Group Company and (2) securities offered as per terms of the agreement. The interest rate as on 31 March 2018 is 9.72% (Previous year: Nil) which is linked to the MCLR.
Ratnakar Bank Limited	Secured	**Loan repay-able on demand**	591.00	-	☐ The Group Company has availed a short-term revolving loan ('STL') facility amounting to Rs. 245 million with a tenure of 4 months. The STL is secured by subservient charge on current assets including stock and book debts of The Group Company , both present and future. The interest rate as on 31 March 2018 is 12.00% (Previous year: Nil) which is linked to the MCLR. ☐ The Group Company has availed a revolving working capital demand loan loan ('WCDL') facility amounting to Rs. 250 million with a tenure of 6 months. The WCDL is secured by exclusive charge on entire current assets of The Group Company , both present and future. The interest rate as on 31 March 2018 is 11.50% (Previous year: Nil) which is linked to the base rate.

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
					☐ The Group Company has availed a short-term revolving loan ('STL') facility amounting to Rs. 245 million with a tenure of 4 months. The STL is secured by subservient charge on current assets including stock and book debts of The Group Company , both present and future. The interest rate as on 31 March 2018 is 12.00% (Previous year: Nil) which is linked to the MCLR. ☐ The Group Company has availed a revolving working capital demand loan loan ('WCDL') facility amounting to Rs. 250 million with a tenure of 6 months. The WCDL is secured by exclusive charge on entire current assets of The Group Company , both present and future. The interest rate as on 31 March 2018 is 11.50% (Previous year: Nil) which is linked to the base rate. ☐ The Group Company has availed a WCDL facility amounting to Rs. 140 million secured by (1) first exclusive charge over the current assets (including stock, receivables etc) both present and future of The Group Company (2) first exclusive charge over the moveable and immovable fixed assets both present and future of The Group Company and (3) Unconditional & irrevocable corporate guarantee of the holding company. The interest rate as on 31 March 2018 is 11.50% (Previous year: Nil)."
Hewlett Packard Financial Services India Private Limited	Secured	Term loan	0.98	2.77	☐ Charge on movable fixed assets of the Magnasoft Consulting India Private Limited with WDV of Rs 1.25 million as on 31 March 2018; ☐ The loan carries a interest rate of 12% to 16% p.a. which is repayable in equal monthly instalments with effect from August 2015 payable."
Hewlett Packard Financial Services India Private Limited	Secured	**Long-term maturities of finance lease obligations**	21.00	10.46	☐ Charge on movable fixed assets of the Magnasoft Consulting India Private Limited with WDV of Rs 19 million as on 31 March 2018; ☐ The loan carries a interest rate of 12% to 16% p.a. which is repayable in equal monthly instalments with effect from July 2015 payable."
ICICI Bank Limited	Secured	**Loan repayable on demand**	21.76	79.72	☐ Exclusive charge on the entire current assets of the company. Exclusive Charge on the movable fixed asset of the company and the assets funded by the bank. ☐ Collaterally Secured by lien on Fixed Deposit of the company to the extent of Rs. 3 million and lien on fixed deposit held by the holding company M/s.Coffee Day Trading Limited (formerly known as Global Technology Ventures Limited) ,to the extent of Rs.15,630 thousands. ☐ Personal Guarantee: Mr. Bobbie H Karla, Director and Member (Personal Guarantee is not less than Rs.100 million), Corporate guarantee by the holding company. ☐ Rate of Interest: For cash credit I MCLR 6 Months plus 2.15%"
Axis Bank Limited	Secured	**Loan repayable on demand**	41.03	14.29	☐ Collaterally Secured by lien on Fixed Deposit of the company to the extent of Rs. 0.21 million and lien on fixed deposit held by the holding company Ms. Coffee Day Trading Limited (formerly known as Global Technology Ventures Limited) to the extent of Rs.9,513 thousands. ☐ Personal Guarantee: Mr.Harmit Karla, Director and Member (Personal Guarantee is not less than Rs.100 million) ☐ Rate of Interest: For cash credit - 2.15% above axis bank's MCLR 3 months (the MCLR 3M rate applicable at present being 8% p.a.) i.e., with present applicable rate of 10.15% per annum"

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Ratnakar Bank Limited	Secured	**Debentures**	495.10	-	☐ These debentures carry interest rate of 10.00% p.a. payable quarterly. ☐ These debentures are secured by - - Pledge of share of Mindtree Ltd. and Coffee Day Global Limited held by V.G.Siddhartha, Coffeeday Enterprises Limited and Coffeeday Trading Limited. - Exclusive charges of land (5.042 acres), charge over the reaches in the name of the company located at - T.S.Nos.724/1, 726 & 727 of Village No. 92, Mangalore Thota Jeppu ward of Mangalore City Corporation T.S Nos.826/AZ pf Jeppu Ward of Mangalore City Corporation Mangalore Taluk - 575001 - Personal guarantee of VG Siddhartha ☐ These debentures are redeemable by way of bullet repayment at the end of 24 months from the allotment date (i.e., 03 August 2019)."
ICICI Prudential Regular Income Fund	**Unsecured**	**Debentures**	750.00	-	☐ These debentures carry interest rate of 11.00% p.a payable annually. ☐ These debentures are secured by - - Pledge of share of Mindtree Ltd. and Coffee Day Global Limited held by V.G.Siddhartha, Coffeeday Enterprises Limited and Coffeeday Trading Limited. - Pledge of shares of Coffee Day Global Limited held by Coffee Day Enterprises Limited - Personal guarantee of VG Siddhartha and corporate guarantee of Coffeeday Enterprises Limited and Coffeeday Trading Limited ☐ These debentures are redeemable by way of bullet repayment at the end of 24 months from the allotment date (i.e., 26 July 2019)."
Indiabulls Mutual Fund	**Unsecured**	**Debentures**	292.04	265.83	☐ These debentures carry interest rate of 1.25% p.a. and are redeemable at premium with effective interest rate of 14.25% p.a.p.q including the cash coupons paid earlier i.e. 1.25% interest payment. ☐ These debentures are secured by - - Pledge of SLL Shares held by Tanglin Retail Reality Developers Private Limited - Pledge of Coffee Day Global Limited Shares held by Cofeeday Enterprises Limited and Corporate guarantee of Tanglin Retail Reality Developers Private Limited - Personal guarantee of V G Siddhartha ☐ These debentures are redeemable by way of bullet repayment at the end of 38 months from the date of issue (i.e., 22 November 2019)."
A.K Capital Finance Private Limited	**Unsecured**	**Debentures**	290.34	263.08	☐ These debentures carry interest rate of 1.25% p.a. and are redeemable at premium with effective interest rate of 13.55% p.a after taking into account cash coupons paid at the rate of 1.25% p.a. ☐ These debentures are secured by - - Pledge of Sical Logistics Limited Shares held by Tanglin Retail Reality Developments Private limited - Corporate guarantee of Coffee Day Enterprises Limited - Corporate guarantee of Tanglin Retail Reality Developments Private limited - Pledge of Coffee Day Global Limited Shares held by Coffee Day Enterprises Limited - Personal guarantee of V G Siddhartha ☐ These debentures are redeemable by way of bullet repayment at the end of 38 months from the date of issue (i.e., 23 Jan 2020)."

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
ICICI Bank Limited	Secured	Term loan	12.02	6.04	☐ Secured by hypothecation of vehicles. ☐ The vehicle loans carry an interest rate ranging from 8.24% to 9.00%. The loans are repayable by way of 60 EMI ending on various dates. The loans are secured against the vehicles for which the loans are granted."
Axis Bank Limited	**Unsecured**	Term loan	500.39	1,001.68	"The loan is secured by: Pledge of Shares of Mindtree Limited held by Coffeeday Enterprises Limited ,Coffee Day Trading Limited and VG Siddhartha. Pledge of shares of Sical Logistics Limited held by Tanglin Retail Reality Developments Private Limited. Pledge of shares of Lakshmi Vilas Bank held by Sivan Securities Limited. Pledge of shares of Coffee Day Global Limited held by Coffee Day Enterprise Limited. Personal Guarantee of Mr.V G Siddhartha and Corporate Guarantee of Sivan Securities Limited and Tanglin Retail Reality Private Limited. The loan carries interest rate at MCLR+0% for first nine month and MCLR+1.75% post nine months (Spread will be modified for an effective interest rate of 11% post nine months) . The maturity date of the loan is 27 September 2018."
HDFC Bank Limited	Secured	Term loan	2.64	3.07	☐ Secured by hypothecation of vehicles. ☐ The vehicle loan carries an interest rate of 9.51%. The loan is repayable by way of 60 EMI ending on May 2021. The loan is secured against the vehicle for which the loan is granted."
Bajaj Finance Limited	**Unsecured**	**Loan repayable on demand**	1,143.65	-	☐ The loan is a group loan with total sanction limit of Rs.1,750 million for the entire group. ☐ The loan carries an interest rate of 9.50% p.a. payable monthly. ☐ The loan is repayable by way of bullet repayment on the 12th month from the date of disbursement (i.e., within December 2018) ☐ The loan is secured by - - Post dated cheques for the loan amount and the interest amounts thereon. - The co-borrowers of the loan are Sivan Securities Pvt. Ltd., Way2Wealth Capital Pvt. Ltd., Coffee Day Consolidation Pvt. Ltd."
Aditya Birla Finance Limited	**Unsecured**	**Loan repayable on demand**	1,250.00	750.00	☐ The loan is secured by: a) Pledge of shares of Coffee Day Global Limited, Mindtree Limited held by group entities and Sical Logistics Limited held by Tanglin Retail Reality Developers Private Limited. b) Personal guarantee of Mr.V.G.Siddhartha, Director of the holding company c) Demand promissory note for the amount ☐ The loan sanction limit is enhanced from 750 million in the previous year to Rs.1,250 million in the current year. ☐ The loan carries interest rate of 14% p.a. payable quarterly. ☐ The loan facility is valid till 24th May 2018 with an option to renew at the discretion of the lender on request by the company."
Tata Capital Financial Services Limited	**Unsecured**	**Loan repayable on demand**	150.00	-	☐ The loan is secured by: - Pledge of shares of Mindtree Limited held by Coffeeday Enterprises Limited, Coffee Day Trading Limited and V.G. Siddhartha. - Personal Guarantee of Mr.V G Siddhartha ☐ The loan carries interest rate of 12% p.a ☐ The loan is repayable at the end of 3 months from the date of disbursement (i.e.,14.06.2018)"

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
STCI Finance Limited	**Unsecured**	Term loan	499.00	-	**☐ 'The loan is secured by: - Pledge of shares of Tanglin Developments Ltd. held by group entities - Pledge of shares of Mindtree Limited held group entities. - Pledge of shares of Sical Logistics Limited held by Tanglin Retail Reality Developments Private Limited. - Pledge of shares of Coffee Day Enterprises Limited held by group entities. - Personal Guarantee of Mr.V G Siddhartha and Corporate Guarantee of Coffee Day Enterprises Limited . ☐ The loan carries interest rate at 12.00 % p.a payable quarterly ☐ The Loan is repayable through bullet repayment at the end of 36 months from the date of disbursement (i.e. 26 th March 2021)."**
Tata Capital Financial Services Limited	**Unsecured**	Term loan	493.21	-	☐ The loan is secured by: - Pledge of shares of Mindtree Limited, Coffee Day Enterprises Limited and Coffee Day Global Limited held by group entities. - Personal Guarantee of Mr.V G Siddhartha ☐ The loan carries interest rate at LTLR less 7.45% i.e. 10.80% p.a. floating interest rate payable quarterly. ☐ The loan is repayable through bullet repayment at the end of 36 months from the date of disbursement."
Housing Development Finance Corporation Limited	Secured	Term loan	8,019.95	8,119.63	**☐ 'Rs.4,000 million loan is to be repaid in 4 equal instalments at the end of the 7th, 8th, 9th and 10th year from the date of disbursement i.e. repayable after June 2018, while the interest is to be serviced at the end of every calendar quarter. The Loan is currently denominated in the notional USD Terms and it was to be converted to rupee terms 1/3rd each (i.e., 1,340 million at end of 4th year, 1,330 million each at the end of 5th and 6th year based on average RBI rate for USD for the one week prior to conversion). The company has requested the lender to continue to denominate the loan in Notional USD terms. The rate of Interest for the period, the loan is a notional USD Loan, is 3 month USD LIBOR plus 570 basis points and after conversion into INR Terms, the interest rate shall be the HDFC Corporate Prime Lending Rate (HDFC CPLR) minus 450 basis points. ☐ 'Rs.1,200 million loan is to be repaid in 4 equal instalments at the end of the 7th, 8th, 9th and 10th year from the date of disbursement i.e.. repayable after June 2019, while the interest is to be serviced at the end of every calendar quarter. The Loan is currently in the Notional USD Terms and it will be converted to mutually agreeable rupee terms at the end of 4th year (i.e. June 2016). The rate of Interest for the period the loan is a notional USD Loan, is 3 month USD LIBOR plus 625 to 700 basis points and after conversion into INR Terms, the interest rate shall be the HDFC Corporate Prime Lending Rate (HDFC CPLR). ☐ 'Rs.500 million loan is to be repaid in 16 quarterly instalments; instalment consisting of 16 equal quarterly instalments of Rs.31 million each beginning from the end of 24 quarters from the date of disbursement i.e.. repayable after June 2020. The interest is to be serviced quarterly and interest at the rate of HDFC CPLR minus 410 basis points would be charged.**

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
					☐ 'Rs.850 million (availed to the extent of Rs.800 million) loan is to be repaid in 29 quarterly instalments; instalment consisting of,18 equal quarterly instalments of Rs.35,000,000/- each and 11 equal quarterly instalments of Rs.20 million each, beginning from the end of 7 quarters from the date of disbursement. The repayment towards the loan has been started from June,2015.The interest is to be serviced quarterly and interest at the rate of HDFC CPLR minus 400 basis points would be charged. ☐ Entire loan is secred by mortgage of Investment property of global village software park."
Bajaj Finance Limited	**Unsecured**	Term loan	1,000.00	450.00	☐ 'The loan is secured by: - Equitable mortgage over the land and buildings of property pledge and pledge of shares of Coffee Day Global Limited - Corporate Guarantee from Coffee Day Hotels and Resorts Limited, Corporate guarantee from Wilderness Resorts Private Limited, Personal guarantee of the V G Siddhartha and Letter of comfort from Coffee Day Enterprises; ☐ The loan is repayable within 36 Months from the date of disbursement (i.e. 29 Feb 2020) ☐ Loan bears interest at the rate of 10.75% (i.e. BFL rate minus 40 basis points) payable quarterly."
Clix Finance India Private Limited	**Unsecured**	Term loan	495.04	-	☐ The loan is secured by: - Pledge of shares of Mindtree Limited held by Coffeeday Enterprises Limited, Coffee Day Trading Limited and V.G. Siddhartha. - Pledge of shares of Coffee Day Global Limited held by Coffee Day Enterprise Limited and V.G. Siddhartha . - Pledge of shares of Coffee Day Enterprises Limited held by V.G. Siddhartha and Coffee Day Consolidations Private Limited - Personal Guarantee of Mr.V G Siddhartha and Corporate Guarantee of Coffeeday Enterprises Limited, Coffee Day Trading Limited and Coffee Day Consolidations Private Limited. ☐ The loan carries interest rate at 12.25% p.a payable monthly. ☐ The loan is repayable through bullet repayment at the end of 36 months from the date of disbursement (i.e. 22nd March 2021)"
Shapoorji Pallonji Finance Private Limited	**Unsecured**	Term loan	247.52	-	Loan of Rs.150 million ☐ The loan is secured by: - Exclusive ranking pledge of unlisted equity shares of Coffee Day Global Limited held by group entities. - Personal Guarantee of Mr.V G Siddhartha and Corporate Guarantee of Coffee day Enterprises Limited . - Demand promissory note for the amount ☐ The loan carries interest rate at 12.50 % p.a Compounded Monthly payable quarterly ☐ The Loan is repayable through bullet repayment at the end of 36 months from the date of disbursement(i.e. 20 th March 2021). Loan of Rs.100 million

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
					☐ The loan is secured by: - Exclusive ranking pledge of listed equity shares of Mindtree Limited and Coffee Day Enterprises Limited held by group entities. - Personal Guarantee of Mr.V G Siddhartha and Corporate Guarantee of Coffee day Enterprises Limited . - Demand promissory note for the amount ☐ The loan carries interest rate at 12.50 % p.a Compounded Monthly payable quarterly ☐ The Loan is repayable through bullet repayment at the end of 36 months from the date of disbursement(i.e. 19 th March 2021)."
Ratnakar Bank Limited	**Unse-cured**	Term loan	495.28	-	☐ The loan is secured by: - Pledge of shares of Mindtree Limited held by Coffeeday Enterprises Limited. - Pledge of shares of Sical Logistics Limited held by Tanglin Retail Reality Developments Private Limited. - Personal guarantee of Mr.V G Siddhartha, Corporate Guarantee of Coffee Day Enterprises Limited and Tanglin Retail Reality Developments Private Limited. ☐ The loan carries interest rate at 1 year MCLR+1.50% p.a payable monthly (Currently 1 year MCLR at 9.25%). ☐ The loan is repayable through bullet repayment at the end of 24 months from the date of disbursement.(i.e. 14th Feb 2020)."
Nederlandse Finan-cierings-Maatschap-pij Voor Ontwikke-lingslanden N.V. ("FMO")	**Unse-cured**	**Deben-tures**	276.62	460.22	☐ These debentures carry interest rate of 14.5% p.a. payable bi-annually. ☐ The debentures shall be converted into equity shares on earlier of the following dates: - Mandatory conversion date i.e. date falling 10 years after the issue of debentures (i.e., 30 March 2010); - Optional conversion date i.e. dates falling 66 months, 72 months, 78 months, 84 months, 90 months, 96 months, 102 months and 108 months from the closing date (i.e. 30 March 2010); - In the event of IPO, the latest permissible date up to which the debentures can remain outstanding under local laws; and - At the investors option upon the occurrence of an event of default. ☐ The number of equity shares arising upon conversion will result in 2.85% of total issued and paid up equity share capital of the Company on a fully diluted basis on the date of issue of debentures. ☐ During the year, the holders sold 1,697,572 (31 March 2017: 1,697,572) Compulsorily Convertible ☐ Debentures (CCDs) to the promoter V.G. Siddhartha, subsequent to which the CCDs were converted to 1,230,910 (31 March 2017: 1,230,910) equity shares of Re 1 each as per the original terms of agreement."
Deutsche Investitions-Und Entwick-lungsgesells-chaft MBH ('DEG')	Secured	Term loan	1,416.04	-	Secured by ☐ Personal guarantee of the V. G. Siddhartha; ☐ First ranking mortgage on the following immovable properties– o Land located in Hassan, owned by Ganga Coffee Curing Works; o Land located in Palace Road, Bangalore owned by the Company; and o Charge on all movable assets of the Company. ☐ Loan from DEG carries a floating interest rate of 6 months EURIBOR plus 2.97% margin p.a and is repayable in 12 biannual instalments with effect from November 2019."

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Reliance Mutual Fund	Secured	**Debentures**	-	2,164.26	☐ Security ☐ Pledge of a proportion of the shares of Mindtree Limited and Tanglin Development Limited held by the Company; ☐ Personal guarantee of Mr. V. G. Siddhartha. ☐ These debentures carry fixed maturity internal rate of return of 14.25% p.a. including quarterly payable coupon interest rate of 6.5% p.a. ☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay. ☐ The principal amount shall be repaid in 9 equal quarterly instalments beginning from 18 March 2017 and expiring on the scheduled maturity date (i.e., 15 March 2019). ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement. ☐ During the year, the Company redeemed debentures worth Rs. 777.78 million. "
ICICI Prudential Asset Management Company	Secured	**Debentures**	-	998.28	☐ These debentures carry interest @ MIBOR plus 600 base points subject to a minimum of 10.99% and maximum of 11.01% ☐ Security - Pledge of shares of Mindtree where the aggregate amount shall be equal to the principal amount. - Pledge of shares of CDGL where the aggregate amount shall be 2.5 times the benchmark amount from the allotment date and atleast 1.5 times the benchmark amount from the effective date of issue of Mindtree shares. - Personal guarantee of Mr. V. G. Siddhartha. ☐ The Company at all times shall maintain a minimum reserve which shall be equal to the money due and payable to the debenture holders. ☐ The amount shall be paid on bullet repayment basis on the expiry of the term. (i.e.; 11 March 2019) ☐ Amounts unpaid on due date will attract overdue interest at 2% p.a over and above the cash coupon rate. ☐ The Company can redeem such debentures before maturity by giving one day notice of the same."
DSP Blackrock Income opportunities Fund	Secured	**Debentures**	-	1,046.78	☐ Security - Pledge of shares of Mindtree where the aggregate value is equal to the benchmark amount - Pledge of Tanglin Shares where the aggregate value of the shares is equal to the benchmark amount - The Company shall at all times, deposit monies in the designated accounts which is due and payable to the debenture holders on the Scheduled Maturity Date. - Personal guarantee of Mr. V G Siddhartha. ☐ These debentures carry fixed redemption premium of 11.50 % with an interest rate of 8% p.a. cash coupon ☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay. ☐ These debentures are redeemable by way of bullet repayment at the end of 19 months and 6 days from the date of issue (i.e., 25 October 2018) The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement."

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Birla Sunlife Trustee Company Private Limited	Secured	**Deben-tures**	-	1,198.28	☐ Security - Pledge of a proportion of the shares of Mindtree Limited and Coffee Day Global Limited held by the Company; - Pledge of a proportion of the shares of Sical Logistics Limited held by Tanglin Retail Reality Developments Private Limited - Personal guarantee of Mr. V. G. Siddhartha ☐ These debentures have been allotted in two tranches- 27 April 2015- Rs. 600 million and 12 May 2015- Rs. 600 million. ☐ These debentures carry an interest rate of 14.5% p.a. (increases to 15.5% after one year from date of allotment) ☐ Any delay in repayment of interest entails payment of penal interest @ 2% p.a. for the period of delay. ☐ These debentures are redeemable by way of bullet repayment at the end of 36 months from the date of issue i.e., 26 April 2018 (Rs. 600 million) and 11 May 2018 (Rs. 600 million). The Company has an option of voluntary prepayment under certain circumstances as set out in the agreement. "
Aditya Birla Finance Limited	Secured	Term loan	-	1,526.29	A) Principal amount of loan amounting to Rs. 600 million ☐ Security - Pledge of a proportion of the shares of Mindtree Limited, Coffee Day Global Limited, Sical Logistics Limited held by the Company; - Personal guarantee of Mr. V. G. Siddhartha ☐ The loan carries an interest rate of 13.75% p.a. payable quarterly ☐ Any delay in repayment of interest entails payment of penal interest @ 24% p.a. for the period of delay. ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the arrangement. Further, the Company has an option to repay the loan in advance with a prepayment premium of 2% on the principal amount outstanding as on the date of prepayment. The loan is repayable by way of bullet repayment at the end of 36 months from the date of issue (i.e., 26 May 2018). B) Principal amount of loan amounting to Rs. 930 million ☐ Security - Pledge of a proportion of the shares of Mindtree Limited and Tanglin Developments Limited held by the Company; - Personal guarantee of Mr. V. G. Siddhartha ☐ The loan carries an interest rate of 12.50% p.a. payable quarterly ☐ Any delay in repayment of interest entails payment of penal interest @ 24% p.a. for the period of delay. ☐ The Company has an option of voluntary prepayment under certain circumstances as set out in the arrangement. Further, the Company has an option to repay the loan in advance with a prepayment premium of 2% on the principal amount outstanding as on the date of prepayment. The loan is repayable by way of bullet repayment at the end of 36 months from the date of issue (i.e., 26 May 2018). "

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
ICICI Prudential Asset Management Company	Secured	**Debentures**	-	949.87	☐ These debentures carry interest @ 13% p.a payable quarterly ☐ Security - Pledge of Mindtree shares equal to one time the principal amount with security cover being maintained at all times - Pledge of CDGL shares aggregate of which shall be equal to 1.5 times the face value of the debentures - Personal guarantee of Mr. V. G. Siddhartha. - Company shall at all points of time maintain in a account designated for this purpose amount equal to the cash coupons payable by the Company in the financial quarter in which such date occurs. ☐ The amount shall be paid on bullet repayment basis on the expiry of the term. (i.e.; 16 April 2017) ☐ Amounts unpaid on due date will attract overdue interest at 2% p.a over and above the cash coupon rate. ☐ The Company can redeem such debentures before maturity by giving one day notice of the same."
ICICI Prudential Asset Management Company	Secured	**Debentures**	-	799.62	☐ These debentures carry interest @ 13% p.a payable quarterly ☐ Security - Pledge of Mindtree shares equal to one time the principal amount with security cover being maintained at all times - Pledge of CDGL shares aggregate of which shall be equal to 1.5 times the face value of the debentures - Personal guarantee of Mr. V. G. Siddhartha. - Company shall at all points of time maintain in a account designated for this purpose amount equal to the cash coupons payable by the Company in the financial quarter in which such date occurs. ☐ The amount shall be paid on bullet repayment basis on the expiry of the term. (i.e.; 8 April 2017) ☐ Amounts unpaid on due date will attract overdue interest at 2% p.a over and above the cash coupon rate. ☐ The Company can redeem such debentures before maturity by giving one day notice of the same."
Standard Chartered Bank Limited	Secured	**Term loan**	-	191.06	Secured by ☐ Charge on all movable fixed assets of the Company; ☐ Charge over all cash deposits with landlords for cafes and future cafes starting with Standard Chartered Bank facility. ☐ First exclusive charge and irrecoverable rights of lien and set-off on the fixed deposit with Standard Chartered Bank with a carrying value of Rs Nil (31 March 2016: Rs 88.48 million, 1 April 2015: Rs 86.89 million) The loan carries a floating interest rate of 3 months LIBOR plus 2.75% margin p.a. which is repayable in 17 equal quarterly instalments with effect from August 2013. The loan is denominated in foreign currency. The Company has entered into an interest rate swap to pay fixed rate of interest of 4.46% (31 March 2016: 4.46%, 1 April 2015: 4.46%) and receive floating LIBOR rate."
Vijaya Bank Limited	Secured	**Loan repayable on demand**	-	49.88	Secured by ☐ Hypothecation of stocks and receivables pertaining to vending division."
DBS Bank Limited	Secured	**Loan repayable on demand**	-	178.31	"Secured against fixed deposit of group company. Interest rate for each drawing will be 3% p.a. Loan tenure is 3 months from the date of renewal."

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
Ratnakar Bank Limited	Secured	**Debentures**	-	500.45	"These debentures carry interest rate of 12.50% p.a. These debentures are secured by - Share pledge of Mindtree Limited held by Mr.V.G. Sidhartha, M/s Coffeeday Enterprises Limited & Coffeeday Trading Limited Share pledge of Coffee Day Global Limited held by the company Personal guarantee of V G Siddhartha These debentures are redeemable by way of bullet repayment at the end of 2 years from the date of issue (i.e., 23 June 2018)."
Ratnakar Bank Limited	Secured	**Debentures**	-	502.25	"These debentures carry interest rate of 11.50% p.a. These debentures are secured by - Share pledge of Mindtree Limited held by Mr.V.G. Sidhartha, M/s Coffeeday Enterprises Limited & Coffeeday Trading Limited Share pledge of Coffee Day Global Limited held by the company Personal guarantee of V G Siddhartha These debentures are redeemable by way of bullet repayment at the end of 2 years from the date of issue (i.e., 23 June 2018)."
Birla Sunlife Trustee Company Private Limited	Secured	**Debentures**	-	1,205.33	"These debentures carry interest rate of 12.75% p.a. These debentures are secured by - Pledge of Coffeeday Global Limited shares held by Coffee Day Enterprises Limited and personal guarantee of VG Siddhartha These debentures are redeemable by way of bullet repayment at the end of 38 months from the date of issue (i.e., 22 November 2019)."
Standard Chartered Investments and Loans (India) Limited	**Unsecured**	**Loan repayable on demand**	-	500.00	"The loan is secured by: Corporate guarantee of Coffee Day Global Limited The loan carries interest rate of 12.5% p.a. till 20 March 2017 and 13.25% thereafter. The loan is repayable within 3 months from the date of disbursement/amendment date (i.e. 19 June 2017)"
A.K Capital Finance Private Limited	**Unsecured**	**Loan repayable on demand**	-	250.00	"The loan is secured by: Registered Mortgage over the immovable property of Coffeeday Curing Works admeasuring 20Acres owned by Vasanthi hegde situated at KM road, Chikmangalur along with irrevocable power of attorney in favour of the lender within 2 months from the date of first disbursement including deposition of original title deeds for the said property. Pledge of 29,49,173 equity shares of Coffee Day Global held by Coffee Day Enterprises unconditional, irrevocable personal guarantee of Mr.V.G. Siddhartha unconditional, irrevocable personal guarantee of the holding company , Coffee Day Enterprises Limited The loan carries interest rate of 18% p.a.

Institution	Nature	Type	As at 31 March 2018	As at 31 March 2017	Terms and conditions
					50% of the facility amount shall be repaid at the end of 2nd month from the date of first disbursement under the facility And balance of the facility amount shall be repaid at the end of 3nd month from the date of first disbursement under the facility The Company has the option to be rollover the facility for maximum period upto 3Months in such a way that the facility rolled over shall not go beyond the validity of the facility."
A.K Capital Finance Private Limited	**Unse-cured**	**Loan repay-able on demand**	-	250.00	The facility carries an interest rate of 18.00% p.a. and was borrowed and the loan is secured by: ☐ Mortgage over the immovable property owned by Mahadeshwara Enterprises situated in Malleshwaram ☐ Pledge of unencumbered Equity shares of Coffee Day Global Limited. held by Coffee Day Enterprises Limited. ☐ Corporate Guarantee of Coffee Day Enterprises Limited (CDEL) ☐ Personal guarantee of Mr. V.G. Siddhartha Repayment Terms: ☐ First 50% of the facility should be repaid at the end of the 2nd month from the date of first disbursement ☐ The balance 50% of the facility should be repaid at the end of the 3rd month from the date of first disbursement ☐ An option to rollover the facility for a maximum period up to 9 months in a way that it does not go beyond the validity of the facility taken (Validity being 12 months from date of disbursement). A facility of the Rs. 25,00,00,000 was borrowed and repaid during the year 2016-17 having similar terms."

24. OTHER NON-CURRENT FINANCIAL LIABILITIES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Rental deposits	892.73	815.90
Deposits from customers	419.60	377.22
Other payables	-	0.95
Liabilities measured at fair value through profit and loss:		
Derivative liability	15.00	15.00
	1,327.33	**1,209.07**

25. NON-CURRENT PROVISIONS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
- Gratuity	147.29	108.81
- Compensated absence	15.14	11.21
- National Pension Scheme	0.30	-
Others		
- Contingent provisions against standard assets	0.80	0.50
	163.53	**120.52**

26. DEFERRED TAX LIABILITIES (NET)

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax liability		
- Excess of depreciation allowed under Income Tax Act, 1961 over depreciation as per books	1,003.00	917.91
- Net unrealised gain on open future positions	1.80	-
- Others	12.30	9.90
Deferred tax assets		
- Unabsorbed losses	(562.00)	(578.90)
- Expenditure covered under 43 B of Income-tax Act, 1961	(22.90)	(26.90)
- Gratuity	(1.30)	(1.28)
- Loss allowance for doubtful trade receivables	(69.70)	(64.50)
	361.20	**256.23**

27. OTHER NON-CURRENT LIABILITIES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Advance from customers	171.35	147.87
Rent equalisation reserve	82.54	69.52
	253.89	**217.39**

28. CURRENT BORROWINGS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Secured:		
Loan repayable on demand *	5,221.39	3,430.02
Unsecured:		
Loan repayable on demand *	2,543.65	1,750.00
Loans and advances from parties other than related parties		
- Illuminati Trading Private Limited	100.00	115.00
- DAX Partners	57.70	61.61
- Highgrove Management	122.30	60.11
- Rain Group LLC	32.10	-
- Rajsree Agarwal	19.20	-
- Lalitha Agarwal	12.80	-
	8,109.14	**5,416.74**

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 55.
* Refer 23A for detailed terms and conditions

29. TRADE PAYABLES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Outstanding dues to micro enterprises and small enterprises	-	-
Outstanding dues to other than micro enterprises and small enterprises (refer note 51)	1,325.10	1,011.69
	1,325.10	1,011.69

All trade payables are 'current'.
Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 55.

30. OTHER CURRENT FINANCIAL LIABILITIES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Current maturities of long-term debt *		
- Debentures	3,578.99	2,571.28
- Term loans	6,874.57	4,462.47
Current maturity of finance lease obligation *	10.72	7.11
Interest accrued and not due on borrowings	433.49	353.02
Others		
- Security deposits	65.00	65.62
- Accrued salaries and benefits	286.64	354.66
- Payable to clients	654.40	801.56
- Creditors for capital goods (refer note 51)	177.92	256.81
- Employee dues	21.20	19.78
- Deposits from customers	398.22	396.68
- Book overdraft	319.69	151.78
- Creditors for expenses	880.45	1,122.02
- Other payables	106.20	82.70
	13,807.49	**10,645.49**

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 55.
* Refer 23A for detailed terms and conditions

31. CURRENT PROVISIONS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
- Gratuity	7.00	12.56
- Compensated absence	28.80	30.72
	35.80	**43.28**

32. CURRENT TAX LIABILITIES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Opening balance	236.51	206.37
Add: Current tax payable for the year	816.05	536.24
Less: Tax paid during the year	(641.64)	(506.10)
	410.92	**236.51**

33. OTHER CURRENT LIABILITIES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Advance from customers	568.55	306.05
Government subsidy received in advance (refer note 48)	3.51	2.86
Statutory dues	276.86	226.10
Advance payments towards unexpired gift vouchers	12.60	6.13
Rent equalisation reserve	7.01	10.83
Others	16.18	25.55
	884.71	**577.52**

34. REVENUE FROM OPERATIONS

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products		
Sale of coffee beans	5,862.46	4,606.36
Sale of food, beverages and other items	13,106.15	11,877.96
Sale of merchandise items	629.87	624.44
Sale of traded goods	1.87	2.35
Sale of services		
Rental income from SEZ and IT parks	1,178.90	1,100.34
Income from integrated logistics services	12,926.30	9,850.80
Service income from coffee vending machines	973.72	807.80
Income from software development and related services	505.82	410.33
Income from operations of resort	236.07	227.83
Maintenance income	185.86	146.44
Income from financial services		
Consultancy services	371.13	368.56
Trading income - securities	3,335.69	2,725.45
Brokerage income	780.36	610.20
Transaction charges	1,076.32	901.22
Delayed payment charges	56.28	46.89

34 REVENUE FROM OPERATIONS (CONTD.)

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Depository charges	21.42	20.26
Portfolio management fees	12.70	10.44
Interest income	41.31	31.70
Other operating revenue		
Sale of import entitlements	160.15	104.76
Advertisement income	667.05	300.09
Interest income under effective interest method	44.31	41.56
Gain / (loss) from commodity futures	(12.78)	50.08
Electricity charges	110.64	128.97
Others	11.20	8.54
Less: quality claims	(11.61)	(3.80)
Less: sales tax and luxury tax	(1,408.52)	(1,260.94)
Less: Service tax and GST	(2,129.89)	(1,837.35)
Less: trade discounts	(853.03)	(704.86)
	37,879.75	**31,196.42**

35. OTHER INCOME

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income under effective interest method	421.62	464.51
Excess provision written back	58.18	49.47
Interest on income tax refund	36.50	54.21
Net change in fair value of financial assets at fair value through profit and loss	36.15	-
Dividend income		
- Investments carried at fair value through profit and loss	20.43	10.78
- Investments carried at fair value through other comprehensive income	4.61	2.21
Profit on sale of property, plant and equipment	10.10	0.03
Rental income	6.95	49.92
Bad debts recovered	-	1.43
Gain from forex hedging	-	1.05
Miscellaneous income	36.79	4.62
	631.33	**638.23**

36. COST OF MATERIALS CONSUMED

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening stock of raw coffee, packing materials, perishables, consumables and merchandise	997.59	862.39
Purchase of raw materials and packing materials		
- Purchase of coffee beans	5,142.49	3,633.68
- Purchase of perishables, consumables and packing materials	3,247.58	3,699.99
- Purchase of merchandise items	215.06	99.85
Closing stock of raw coffee, packing materials, perishables, consumables and merchandise	(631.38)	(997.59)
	8,971.34	**7,298.32**

37. COST OF INTEGRATED LOGISTICS SERVICES

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Handling and transportation	5,197.60	4,049.10
Freight	1,879.70	1,873.80
Other cost of integrated logistics services	1,604.20	764.90
	8,681.50	**6,687.80**

38. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(a) Opening stock		
Finished goods	112.27	175.37
Work-in-progress	79.44	79.91
(b Closing stock		
Finished goods	(139.09)	(112.27)
Work-in-progress	(49.26)	(79.44)
	3.36	**63.57**

39. EMPLOYEE BENEFITS EXPENSE

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries and wages	4,382.75	3,529.92
Contribution to provident and other funds	346.32	269.19
Share based payments to employees	0.24	13.04
Staff welfare expenses	147.36	99.26
	4,876.67	**3,911.41**

40. FINANCE COSTS

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense	3,307.98	3,074.67
Other borrowing costs	90.36	97.42
Foreign exchange loss to the extent considered as finance cost	93.00	-
	3,491.34	**3,172.09**

41. DEPRECIATION AND AMORTIZATION EXPENSE

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment (refer note 4)	2,398.32	2,122.53
Depreciation on investment properties (refer note 5)	103.30	110.14
Amortization of intangible assets (refer note 7)	102.05	35.73
	2,603.67	**2,268.40**

42. OTHER EXPENSES

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Rent	2,317.78	2,033.81
Securities transaction tax	1,564.20	1,277.00
Exchange charges	1,423.40	1,210.79
Legal, professional and consultancy	538.50	295.54
Brokerage and commission	456.23	359.76
Power and fuel	346.21	320.60
Transportation, travelling and conveyance	296.67	263.43
Repairs and maintenance		
- plant and machinery	123.41	79.77
- buildings	21.91	31.31
- vehicles	3.70	2.40
- others	132.99	111.76
Communication expenses	253.09	234.52
Subcontracting charges	171.17	136.41
Café housekeeping and maintenance	168.63	150.95
Rates and taxes	134.64	152.71
Advertising and business promotion expenses	91.88	80.17
Bad debts written off	85.26	3.61
Foreign exchange loss, net	75.51	21.73

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Grinding and curing charges	74.50	80.17
Security charges	73.92	63.34
Membership and subscription	67.95	40.52
Insurance	57.44	42.15
Freight and handling charges	43.95	41.23
Office maintenance and utilities	28.13	26.23
Food, beverages and other consumables	26.43	11.73
Recruitment charges	25.41	22.46
Corporate social responsibility	16.51	11.70
Payment to auditor's	14.70	14.06
Printing and stationery	14.44	13.71
License fee	13.89	20.07
Net loss on sale of investments	5.50	-
Director's fees	5.24	5.32
Linen, room and other operating expenses	4.85	4.12
Hotel maintenance	4.70	4.12
Commission to directors	4.50	3.10
Loss on sale of property, plant and equipment, net	4.00	3.03
Provision for impairment of goodwill (refer note 6)	-	7.07
Provision for doubtful debts	(65.10)	40.33
Miscellaneous expenses	201.16	122.77
	8,827.30	**7,343.50**

43. INCOME TAX

A. Amounts recognised in statement of profit and loss

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current income tax:		
Income tax charge	801.54	617.35
Adjustments in respect of income tax of previous year	14.51	(81.11)
	816.05	**536.24**
Deferred tax:		
Relating to origination and reversal of temporary differences	83.32	76.72
Increase/ (reduction) of tax rate	3.00	(7.50)
Minimum alternative tax credit entitlement	(129.97)	(44.02)
Minimum alternative tax credit entitlement of earlier years	(4.11)	(6.56)
	(47.76)	18.64
Income tax expense reported in the statement of profit or loss	**768.29**	**554.88**

B. Amounts recognised in other comprehensive income

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(Loss) on financial assets measured at fair value through other comprehensive income, net of tax	(8.80)	-
Effective portion of gains and losses on hedging	(0.14)	(2.53)
Net (gain) on remeasurement of defined benefit liability/ (assets)	(3.07)	(1.01)
Income tax charged to other comprehensive income	**(12.01)**	**(3.54)**

C. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit before share of profit of equity accounted investees	**726.11**	**635.22**
Loss from entities in the Group before taxes	896.28	1,146.46
Exceptional items	531.57	-
Adjusted profit before tax	**2,153.96**	**1,781.68**
Tax at the Indian tax rate of 34.61% (31 March 2017: 34.61%)	745.49	616.64
Effect of:		
Recognition of previously unrecognised tax loses	-	(117.43)
Changes in unrecognised temporary differences	140.14	89.59
Adjustments in respect of income tax of previous years	10.40	(19.98)
Income taxed at special rates	(91.95)	(10.15)
Reduction of tax rate	(32.85)	-
Others	(2.94)	(3.79)
Income tax expense	**768.29**	**554.88**

D. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following losses arisen in the Group that have been loss-making and it is not likely to generate taxable income in the foreseeable future.

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Unused tax losses	5,123.91	4,278.37
Potential tax benefit @ 34.61% *	1,773.39	1,480.74
Carry forward of unabsorbed depreciation	370.67	344.29
Potential tax benefit @ 34.61% *	122.54	113.82

*The business losses expire in 2021-25. The deductible temporary differences do not expire under current tax legislation.

44. CONTINGENT LIABILITIES AND COMMITMENTS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Contingent liabilities:		
Claims against the Group not acknowledged as debt (includes tax demands)	3,030.00	2,424.68
Guarantees excluding financial guarantees	1,814.95	1,994.33
Other financial guarantees	32.00	32.00
Commitments:		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	133.03	440.15
	5,009.98	**4,891.16**

Notes:

a) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

b) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. Based on the advice from the Group's legal counsel, management does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Group does not expect any reimbursements in respect of the above contingent liabilities.

c) During the year, Income Tax department conducted search/ survey under section 132/ 133A of the Income Tax Act, 1961 on the Company and its subsidiaries from 21 September 2017 to 24 September 2017. The Company submitted a statement to the stock exchanges on 25 September 2017 to this effect. The search/ survey proceedings are still underway and the Company is responding to the queries being raised by the department. The Company does not envisage any material impact on the financial statements of the Group.

45. EARNINGS PER SHARE

(i). Reconciliation of earnings for calculation of earnings per share:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit for the year attributable to the equity shareholders	1,062.59	469.55
Net profit for basic / diluted earnings per share	**1,062.59**	**469.55**

(ii). Reconciliation of number of equity shares for computation of basic earnings per share is set out below:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Number of equity shares at the beginning of the year (refer note 21)	211,251,719	206,001,719
Add: Weighted average number of equity shares issued during the year (refer note 58)	-	3,495,205
Weighted average number of equity shares for calculation of earnings per share	**211,251,719**	**209,496,924**

(iii). Earnings per share:

From continuing operations		
- Basic	5.03	2.24
- Diluted *	5.03	2.24
* No dilutive shares		

46. SPECIFIED BANK NOTE

During the previous year, the Group had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows :

Rs in million

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand on 8 November, 2016	63.27	9.65	72.92
(+) Permitted receipts	-	416.78	416.78
(-) Permitted payments	2.41	11.89	14.30
(-) Amount deposited in banks	60.86	349.79	410.65
Closing cash in hand on 30 December, 2016	**-**	**64.75**	**64.75**

* For the purposes of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

47. SHARE-BASED PAYMENTS

A. Description of share-based payment arrangements:

Certain employees of the subsidiary, Magnasoft Consulting India Private Limited (MCIPL) have received employee stock options ('ESOP') on the shares granted by a trust sponsored by the promoters of the Group. The subsidiary have reserved 1.34 million equity shares with Magnasoft Employees' Welfare Trust ('the Trust') for issuance to eligible employees, under ESOP plans.

The plans are administered by the Board of the Group.
Under the plans, the options will be issued to employees at an exercise price, which may be decided by the Board from time to time.
The terms and conditions related to the grant of the share options are as follows:-

Particulars	
Employees entitled	All Employees in permanent employment except the Promoters and Directors
Vesting conditions	100% of the Grants vests at the end of 12 - 36 months from Grant date.
Contractual life of years	The contractual life of the options are 36 months

B. Measurement of fair values

The fair value at the grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. No options were granted during the year ended 31 March 2018 and previous year ended 31 March 2017.

C. Reconciliation of outstanding share option

The movement in the options under the plans during the year ended 31 March 2018 and 31 March 2017 is set out below:

Rs except per share data

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Weighted average price	Shares arising out of options	Weighted average price	Shares arising out of options
Outstanding at the beginning of the year	1.00	180,400	1.00	1,399,900
Granted during the year	-	-	-	-
Forfeitures during the year	1.00	(46,400)	1.00	(1,219,500)
Outstanding at the end of the year	**1.00**	**134,000**	**1.00**	**180,400**
Exercisable at the end of the year	**1.00**	**129,000**	**1.00**	**117,400**

The trust has granted 1,399,000 shares during the year ended 31 March 2016 at an exercise price of Re. 1. The weighted average fair value of the above mentioned options estimated on the grant dates using the Black-Scholes-Merton model is Rs 5.86. The options outstanding as at 31 March 2018 had a weighted average remaining contractual life of 1 year (Previous year: 2 year).

Share options outstanding at the end of the year have the following expiry date and exercise price:

Rs in million (except share data)

Type of arrangement	Exercise price	Fair value as at 31 March 2018	Number of options (outstanding as at the year end)	Forfeited during the year	Expense capitalised during the year	Expense recognized during the year	Outstanding liability as at the year end
ESOP Plan	1.00	-	134,000	(0.17)	0.34	0.24	1.21
Total				**(0.17)**	**0.34**	**0.24**	**1.21**

48. GOVERNMENT GRANT

The Group is entitled to receive grant from various State Governments under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (erstwhile Aajeevika Skills Development Programme) launched by the Ministry of Rural Development (MoRD), Government of India, towards providing training facilities. As at 31 March 2018, the Group has received cumulatively, total grant of Rs 96.27 million (31 March 2017 Rs 77.05 million).

The Group has incurred a cost of Rs 23.03 million for the year ended 31 March 2018 (Previous year: Rs 49.52 million) under various heads. The said expenses has been reduced from the proceeds of this grant.

The unutilised amount of the total grant received as at 31 March 2018 is Rs. 3.51 million (31 March 2017: 2.86).

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Rates & taxes	8.11	-
Rent	7.87	18.32
Staff welfare expenses	5.37	23.04
Printing and stationery	0.79	0.57
Transportation, travelling and conveyance	0.38	3.54
Power and fuel	0.38	0.72
Legal and professional	0.09	2.05
Repairs and maintenance - buildings	0.04	1.28
	23.03	**49.52**

49. EMPLOYEE BENEFITS OBLIGATIONS

A. Defined benefit plan

The Group has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to recognised funds in India. The same is maintained by the LIC New Group Gratuity Cash Accumulation Plan and Kotak gratuity group plan.

B. Reconciliation of the projected benefit obligations

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Change in projected benefit obligation:		
Obligations at the beginning of the year	230.32	195.41
Included in profit and loss:		
- Service cost	52.87	49.23
- Interest cost	13.19	11.84
Included in other comprehensive income:		
- Actuarial (gains)/losses arising from changes in financial assumptions	15.29	5.46
- Actuarial (gains)/losses arising from experience adjustments	(20.45)	(9.42)
- (Return)/ loss on plan assets excluding interest income	0.45	0.23
Benefits settled	(19.41)	(22.43)
Obligations at year end	**272.26**	**230.32**
Change in plan assets:		
Plans assets at the beginning of the year, at fair value	135.25	120.01
Expected return on plan assets	4.69	16.32
Actuarial (loss)/gain	2.73	(1.68)
Contributions	29.91	23.02
Benefits settled	(19.41)	(22.42)
Plans assets at year end, at fair value	**153.17**	**135.25**
Liability recognised in the balance sheet		
Fair value of plan assets:	153.17	135.25
Present value of defined benefit obligation at the end of the year	272.26	230.32
Total employee benefit liabilities	**119.09**	**95.07**
Net liability:		
- Current	7.00	12.56
- Non current	147.59	108.81
- Prepaid gratuity	(35.50)	(26.30)

C.
(i) Expense recognised in profit or loss:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cost for the year		
Service cost	52.87	49.69
Interest cost	13.19	11.84
Interest income	(4.69)	(16.32)
Net gratuity cost	**61.37**	**45.21**

(ii) Remeasurements recognised in other comprehensive income:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Actuarial (gains)/ losses arising from changes in financial assumptions	15.29	5.46
Actuarial (gains)/ losses arising from experience adjustments	(20.45)	(9.42)
(Return)/ loss on plan assets excluding interest income	(3.17)	1.45
Net gratuity cost	**(8.33)**	**(2.51)**

D. Plan Assets comprise of the funds amounting to Rs 153.16 million (March 2017: Rs. 135.25 million).

E. Defined benefit obligation
(i) Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest rate	7.00% - 7.82%	6.35% - 6.80%
Salary increase	3.00% - 10.00%	3.00% - 10.00%
Retirement age	60 years	60 years
Attrition rate	2.00% - 25.00%	2.00% - 25.00%
Mortality table	IALM (2006-08)	IALM (2006-08)

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Rs in million

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (100 basis points movement)	185.01	216.19	110.93	117.62
Future salary growth (100 basis points movement)	215.07	104.96	117.68	110.82

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

50. LEASES

(i). Operating lease

Assets given on operating lease:

The Group earns its facility rental income from investment property leased / premises sub-leased under operating lease which is recognized in the statement of profit and loss on a straight-line basis over the term of the lease. Total lease rental income recognised in the statement of profit and loss for the year is:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cancellable	1,099.00	249.69
Non-cancellable	252.15	997.09
	1,351.15	**1,246.78**

The future minimum lease receivables under non-cancellable operating leases in aggregate are as follows:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Not later than 1 year	177.85	236.02
Later than 1 year and not later than 5 years	242.50	229.53
More than 5 years	261.60	135.82

Assets taken on operating lease:

The Group leases office premises, café outlets, residential facilities, resorts and warehouses under operating lease agreements. The Group intends to renew such leases in the normal course of its business. Total rental expense under operating leases was 2,317.78 million and Rs 2,033.81 million for the year ended 31 March 2018 and 31 March 2017 respectively.

The future minimum lease payments under non-cancellable operating leases in aggregate are as follows:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Not later than 1 year	547.13	624.02
Later than 1 year and not later than 5 years	1,350.97	1,695.84
More than 5 years	570.04	794.36

ii). Finance lease

The Group has entered into finance lease arrangements for certain equipments, which provide the Group an option to purchase the assets at the end of the lease period. The lease period is three years. Reconciliation between the total of minimum lease payments and their present value is as follows:

Rs in million

Particulars	As at 31 March 2018		As at 31 March 2017	
	Minimum lease payments	Net present value	Minimum lease payments	Net present value
Not later than 1 year	12.34	10.72	8.12	7.11
Later than 1 year and not later than 5 years	12.66	11.57	3.61	3.36

51. RELATED PARTY TRANSACTIONS

A. Enterprises where control exists

The related parties where control exists include subsidiaries, associates and joint ventures as referred in Note 1.

B. Parties where significant influence exists/ parties under common control and with whom transactions have taken place:

Sical Sattva Rail Terminal Private Limited
Dark Forest Furniture Company Private Limited
Mysore Amalgamated Coffee Estates Limited
Coffee Day Barefoot Resorts Private Limited
Coffee Day Resorts (MSM) Private Limited
Coffee Day Schaerer Technologies Private Limited
Sampigehutty Estates
Kathlekhan Estates Private Limited
Mindtree Limited
Global Edge Software Private Limited (refer note 59)
Smt. Vasanthi Hegde
Kesar Marble & Granite Limited
Sivan Securities Private Limited
Alphagrep Technologies Limited *
Way2Wealth Realty Private limited**

* Alphagrep Technologies Limited ceased to be joint venture due to loss of control by divestment of 40.5% stake during the previous year ended 31 March 2017.
** Way2Wealth Realty Private limited ceased to be subsidiary due to to loss of control during the year 31 March 2018.

C. Key management personnel :

Executive key management personnel:
Mr. V. G. Siddhartha
Mr. R. Ram Mohan
Mr. Sadananda Poojary
Mr. Jayraj Hubli
Mr. Venu Madhav
Mr. B G Srinath
Mr M R Shashi Bhushan
Mr. Kush Desai
Mr. Sumit R Kamath
Mr. Capt. K.N. Ramesh
Mr. Shankar V
Mr. Harmit Kalra
Mr. Radhakrishnan
Non-Executive / Independent Directors:
Ms. Malavika Hegde
Mr. Sanjay Nayar
Mr. M. D. Mallya
Mr. S.V. Ranganath
Dr. Albert Hieronimus

D. Related party transactions other than those with key management personnel

I. The following is a summary of transactions :

Rs. in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cost of services		
Sical Sattva Rail Terminal Private Limited	3.60	14.20
Loan / advance given		
Coffee Day Resorts (MSM) Private Limited	0.21	-
Dark Forest Furniture Company Private Limited	410.60	220.08
Mysore Amalgamated Coffee Estates Limited	7,142.84	6,028.94
Coffee Day Barefoot Resorts Private Limited	0.47	4.25
Loan received		
Mysore Amalgamated Coffee Estates Limited	3,650.10	3,385.60
Repayment of loan / advances		
Mysore Amalgamated Coffee Estates Limited	3,257.76	2,945.14
Loans / advance recovered		
Mysore Amalgamated Coffee Estates Limited	7,246.34	6,108.37
Coffee Day Resorts (MSM) Private Limited	-	63.38

Rs. in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Advance given for purchase of land *	2,750.00	-
Interest received		
Mysore Amalgamated Coffee Estates Limited	115.00	88.26
Interest paid on advances received from		
Mysore Amalgamated Coffee Estates Limited	3.74	5.52
Reimbursement of expenses paid		
Coffee Day Schaerer Technologies Private Limited	9.48	8.77
Purchase of fixed assets		
Dark Forest Furniture Company Private Limited	209.29	344.70
Purchase of clean and raw coffee		
Mysore Amalgamated Coffee Estates Limited	392.34	440.46
Sampigehutty Estates	-	268.56
Purchases of coffee vending machines		
Coffee Day Schaerer Technologies Private Limited	26.53	18.73
Sale of clean and raw coffee		
Kathlekhan Estates Private Limited	352.84	-
Sale of coffee and service income		
Mindtree Limited	28.68	24.40
Rent received		
Global Edge Software Private Limited (refer note 59)	21.47	41.18
Mindtree Limited	399.30	419.21
Refundable deposit received		
Mindtree Limited	140.80	117.41
Deposits refunded		
Mindtree Limited	10.60	159.71
Discount provided		
Mindtree Limited	9.00	16.62
Purchase of capital goods		
Kesar Marble & Granite Ltd.	6.60	-
Purchase of software		
Mindtree Limited	25.62	50.89

* Transactions includes advances made to Smt. Vasanthi Hegde for Rs. 2,750 million during the year.

II. The following is a summary of balances receivable from and payable:

Rs. in million

Particulars	" As at 31 March 2018 "	" As at 31 March 2017 "
Advance given for purchase of land *	4,150.00	1,400.00
Creditors for capital goods		
Mindtree Limited	30.53	37.41
Dark Forest Furniture Company Private Limited	305.94	105.33
Coffee Day Schaerer Technologies Private Limited	31.41	11.69
Sivan Securities Private Limited	1,400.00	1,400.00
Smt. Vasanthi Hegde	2,750.00	-
Deposits payable		
Mindtree Limited	471.02	481.61
Global Edge Software Private Limited (refer note 59)	26.92	26.92
Trade payables		
Sical Sattva Rail Terminal Private Limited	23.70	25.20
Dark Forest Furniture Company Private Limited	3.44	-
Capital advances		
Coffee Day Schaerer Technologies Private Limited	24.70	-
Current loans		
Coffee Day Barefoot Resorts Private Limited	153.86	153.39
Coffee Day Resorts (MSM) Private Limited	0.21	-
Alphagrep Technologies Limited *	-	63.71
Trade receivables		
Mindtree Limited	8.15	21.08

* Balances includes advances made to Sivan Securities Private Limited and Smt. Vasanthi Hegde for Rs. 1,400 million and Rs. 2,750 million respectively.

E. Related party transactions with key management personnel

I. The following is a summary of transactions:

Rs. in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Compensation		
- Short-term employee benefits*	110.88	99.80
Guarantee given/ (closed)	2,287.78	(956.90)

* The remuneration of directors and key executives is determined having regard to the performance of individuals and market trends. Post employment benefit comprising gratuity and compensated absences are not disclosed as these are determined for the Group as a whole.

II. The following is a summary of balances receivable from and payable:

Rs. in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Loans and advances	2.81	2.81
Corporate guarantee received	4,460.00	2,172.22

52. SEGMENT INFORMATION

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker ("CODM") evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segments. Chairman & Managing Director of the company have been identified as the CODM.

Accordingly, information has been presented along these business segments viz. Coffee and related business, Integrated multimodal logistics, Financial services, Leasing of commercial office space, Hospitality services and Investment and other corporate operations.

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 policies.

Segment result represents EBITDA i.e. earnings before interest expense, depreciation / amortisation expense and tax. For the purpose of segment reporting, the Group has included share of profit from associates and joint ventures under respective business segments. Further, it also includes exceptional gain on account of sale of equity stake in Global Edge Software Limited (refer note 59).

Since the information about segment assets and segment liabilities are not reviewed by the CODM, the Group has not presented such information as a part of its segment disclosure which is in accordance with the requirements of Ind AS 108.

Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group, therefore, believes that it is not practicable to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as unallocated.

Unallocable expenses comprises of finance cost and certain other corporate costs. Unallocable income comprises of interest income and other income.

(i) Segment Revenue:

Rs. in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from external customers:		
Coffee and related business	21,256.35	18,273.14
Integrated multimodal logistics	12,926.30	9,850.80
Financial services	5,742.95	4,758.11
Leasing of commercial office space	1,475.39	1,375.74
Hospitality services	351.40	335.28
Investment and other corporate operations	530.41	410.30
Inter-segment revenue:		
Coffee and related business	350.87	0.94
Integrated multimodal logistics	628.30	478.20
Financial services	1.30	1.44
Leasing of commercial office space	18.48	15.76
Hospitality services	23.37	19.33

Total segment revenue	**43,305.12**	**35,519.04**
Reconciling items:		
- taxes and discounts on sales	(4,403.05)	(3,806.95)
- inter-segment revenue	(1,022.32)	(515.67)
Total revenue as per statement of profit and loss	**37,879.75**	**31,196.42**

(ii) Segment Results

Rs. in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Coffee and related business	2,978.17	2,605.64
Integrated multimodal logistics	1,812.60	1,653.80
Financial services	546.99	556.17
Leasing of commercial office space	1,247.12	1,165.33
Hospitality services	45.50	49.12
Investment and other corporate operations	1,621.55	781.71
Total segment results	**8,252.93**	**6,811.77**
Reconciling items:		
- depreciation	(2,603.67)	(2,268.40)
- finance cost	(3,491.34)	(3,172.09)
- foreign exchange loss to the extent considered as finance cost	93.00	-
Profit before tax as per statement of profit and loss	**2,250.92**	**1,371.28**
Income tax expense	(768.29)	(554.88)
Profit after tax as per statement of profit and loss	**1,482.63**	**816.40**

(iii). Geographical information

(a). Segment Revenue:

Rs. in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from external customers:		
- India	37,434.52	31,787.05
- Europe	3,603.67	2,831.13
- Other foreign countries	1,244.62	385.19
Inter-segment revenue:	1,022.31	515.67
Total segment revenue	**43,305.12**	**35,519.04**

(b). Segment non-current assets

Rs. in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
- India	57,648.44	51,559.30
- Europe	32.84	726.47
- Other foreign countries	41.60	220.29
Total	**57,722.88**	**52,506.06**

Reconciling items:		
- deferred tax assets	776.44	635.73
- non-current financial assets	2,168.31	1,650.95
Total non-current assets	**60,667.63**	**54,792.74**

(iv). Revenue from major products and services

The Group's revenue from continuing operations from its major products or services are as follows:

Rs. in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of food, beverages and coffee beans	21,607.22	18,274.08
Income from integrated logistics services	13,554.60	10,329.00
Securities trading, brokerage and consultancy services	5,744.25	4,759.55
License fee and maintenance income from SEZ and IT parks	1,493.87	1,391.50
Income from software development and related services	530.41	410.30
Income from operations of resort	374.77	354.61

(v) Information about major customers

Revenue from top three customers of the Group's leasing of commercial office space segment is Rs. 709 million (Previous year: Rs. 792 million) which is more than 10% of the segment's total revenue. Revenue from top five customers of the Group's integrated multimodal logistics segment is Rs. 4,461 million (Previous year: Rs. 5,911 million) which is more than 10% of the segment's total revenue. The Group does not derive more than 10% of it's revenues in other segments from a single customer.

53. CONSOLIDATED FINANCIAL INFORMATION

Additional information required to be disclosed pursuant to paragraph 2 of Division II of Schedule III to the Companies Act, 2013 - 'General instructions for the preparation of consolidated financial statements as at and for the year ended 31 March 2018 is as follows:

Rs. in million

Name of the entity in the Group	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent company								
Coffee Day Enterprises Limited	63.7%	19,218.35	-86.8%	(1,287.31)	-0.5%	0.17	-88.8%	(1,287.14)
Indian subsidiaries								
Coffee Day Global Limited*	3.3%	1,003.41	22.1%	327.79	-7.7%	2.58	22.8%	330.38
Sical Logistics Limited*	2.3%	707.17	10.7%	158.95	0.0%	-	11.0%	158.95

Rs. in million

Name of the entity in the Group	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Way-2Wealth Securities Private Limited*	1.8%	552.04	12.2%	180.46	141.6%	(47.55)	9.2%	132.91
Tanglin Developments Limited	0.0%	12.11	38.5%	570.35	-2.3%	0.77	39.4%	571.12
Coffee Day Trading Limited	-2.6%	(783.13)	23.7%	351.21	2.6%	(0.88)	24.2%	350.33
Magnasoft Consulting India Private Limited*	0.9%	279.61	5.0%	74.65	0.6%	(0.22)	5.1%	74.43
Coffee Day Hotels And Resorts Private Limited	-2.2%	(649.71)	-9.9%	(146.13)	-1.4%	0.46	-10.1%	(145.67)
Wilderness Resorts Private Limited	-0.5%	(136.32)	-4.8%	(70.88)	0.0%	-	-4.9%	(70.88)
Karnataka Wildlife Resorts Private Limited	-0.7%	(204.30)	0.8%	11.81	0.0%	-	0.8%	11.81
Tanglin Retail Reality Developments Private Limited	-1.7%	(504.78)	-4.5%	(66.43)	0.0%	-	-4.6%	(66.43)
Girividyuth India Limited	0.0%	(0.86)	0.0%	0.03	0.0%	0.01	0.0%	0.04

Rs. in million

Name of the entity in the Group	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Associates (investment as per the equity method)								
Mindtree Limited*	14.0%	4,217.65	62.5%	926.42	-63.7%	21.39	65.4%	947.81
Ittiam Systems Private Limited*	0.2%	65.93	0.9%	13.26	2.0%	(0.69)	0.9%	12.58
Barefoot Resorts & Leisure India Private Limited*	0.0%	(1.09)	0.1%	1.23	-1.5%	0.49	0.1%	1.72
Global Edge Software Private Limited (refer note 59)	0.0%	-	1.2%	17.15	0.0%	-	1.2%	17.15
Non-controlling Interest								
Coffee Day Global Limited*	3.2%	960.32	2.5%	37.17	-0.9%	0.31	2.6%	37.48
Sical Logistics Limited*	14.6%	4,395.81	12.3%	182.05	0.0%	-	12.6%	182.05
Way-2Wealth Securities Private Limited*	1.7%	525.46	5.9%	86.84	33.5%	(11.25)	5.2%	75.59
Coffee Day Trading Limited	1.5%	438.64	6.6%	97.98	-2.6%	0.88	6.8%	98.86

Magnasoft Consulting India Private Limited*	0.2%	58.28	1.1%	16.02	0.2%	(0.08)	1.1%	15.95
Total	100%	30,154.58	100%	1,482.63	100%	(33.59)	100%	1,449.04
Attributable to: Owners of the Group	78.8%	23,776.08	71.7%	1,062.59	69.9%	(23.47)	71.7%	1,039.12
Attributable to: Non-controlling interests	21.2%	6,378.50	28.3%	420.04	30.1%	(10.12)	28.3%	409.92

* Balances extracted from consolidated financial statements of the entity and includes step down subsidiaries along with associates and joint ventures accounted for using equity method at respective entity level.- Further, adjusted for inter company transactions and balances arising on account of acquisition.

54. INTEREST IN OTHER ENTITIES

(i). Subsidiaries:

(a). The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name of the entity	Country of incorporation	Principal activities	Ownership interest held by the group (%)			
			31 March 2018	31 March 2017	31 March 2018	31 March 2017
Coffee Day Global Limited	India	Integrated coffee business	89.62%	86.63%	10.38%	13.37%
Sical Logistics Limited	India	Integrated logistics provider	52.83%	52.83%	47.17%	47.17%
Way2Wealth Securities Private Limited	India	Financial intermediary services	85.53%	85.53%	14.47%	14.47%
Coffee Day Trading Limited	India	Investments in IT/ ITeS	88.77%	88.77%	11.23%	11.23%
Magnasoft Consulting India Private Limited	India	Geospatial services	77.88%	77.88%	22.12%	22.12%
Tanglin Development Limited	India	Development of Tech Parks / SEZs	100.00%	100.00%	-	-
Tanglin Retail Reality Developments Private Limited	India	Property developers	100.00%	100.00%	-	-
Girividyuth India Limited	India	Power generation	100.00%	100.00%	-	-
Coffee Day Hotels And Resorts Private Limited	India	Operation of holiday resorts	100.00%	100.00%	-	-
Wilderness Resorts Private Limited	India	Operation of holiday resorts	100.00%	100.00%	-	-
Karnataka Wildlife Resorts Private Limited	India	Operation of holiday resorts	100.00%	100.00%	-	-

(b) . Summarised financial information of the material subsidiaries that have non-controlling interest before inter company eliminations:

Rs in million

	Coffee Day Global Limited		Sical Logistics Limited			Way2Wealth Securities Private Limited
Summarised balance sheet	"As at 31 March 2018"	"As at 31 March 2017"	"As at 31 March 2018"	"As at 31 March 2017"	"As at 31 March 2018"	"As at 31 March 2017"
Current assets	7,758.39	5,937.58	5,121.30	5,587.40	4,302.69	3,839.90
Non-current assets	12,429.21	11,944.54	19,389.40	17,533.40	813.85	701.50
Current liabilities	4,177.09	3,422.59	9,428.20	7,478.80	2,497.30	2,102.50
Non-current liabilities	2,648.55	1,653.01	7,867.10	8,822.10	513.10	541.20
Accumulated balance of NCI	960.32	1,215.37	4,395.81	4,166.96	525.46	450.02

Rs in million

Summarised statement of profit and loss	Coffee Day Global Limited		Sical Logistics Limited		Way2Wealth Securities Private Limited	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue	17,770.49	15,354.66	11,942.40	9,219.50	5,457.39	4,554.60
Profit for the year	369.75	263.54	341.00	393.10	267.30	306.60
Other comprehensive income	2.89	13.59	-	-	(58.80)	153.80
Total comprehensive income	**372.64**	**277.13**	**341.00**	**393.10**	**208.50**	**460.40**
Total comprehensive income allocated to NCI	37.48	35.12	182.05	180.91	75.59	60.62
Dividend allocated to NCI	-	-	-	-	-	-

Rs in million

Summarised cash flows	Coffee Day Global Limited		Sical Logistics Limited		Way2Wealth Securities Private Limited	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flow from operating activities	2,618.96	1,783.81	1,198.70	548.50	152.20	455.40
Cash flow from investing activities	(1,896.74)	(289.80)	(1,844.80)	(2,238.40)	(212.60)	55.10
Cash flow from financing activities	443.29	(2,000.50)	317.70	1,979.60	143.70	(34.90)
Net increase/ (decrease) in cash and cash equivalents	1,165.51	(506.49)	(328.40)	289.70	83.30	475.60

(ii). Associates and joint ventures

(a). The associates and joint ventures of the Group as at 31 March 2018 which in the opinion of the directors, are material to the Group are listed below:

Rs in million

Name of the entity	Principal activities	Country of incorporation	% of ownership interest	Relationship	Accounting method	31 March 2018	31 March 2017
Mindtree Limited	IT consulting and software development	India	17.12%	Associate	Equity method	21,657.84	12,707.97
Other immaterial associates		India	-	Associate	Equity method	353.56	527.68

Other immaterial joint ventures		India	-	Joint ventures	Equity method	240.20	170.72

(b). Summarised financial information about the joint venture or associate:

Rs in million

	Mindtree Limited	
Summarised balance sheet	**As at 31 March 2018**	**As at 31 March 2017**
Current assets		
- Cash and cash equivalents	3,289.00	2,508.00
- Other current assets	21,742.00	18,102.00
Total	**25,031.00**	**20,610.00**
Non-current assets	**12,334.00**	**13,296.00**
Current liabilities		
- Financial liabilities (excluding trade payables)	4,812.00	3,616.00
- Trade payables	1,710.00	1,651.00
- Provisions	1,218.00	1,105.00

Rs in million

	Mindtree Limited	
Summarised balance sheet	**"As at 31 March 2018"**	**"As at 31 March 2017"**
- Other current liabilities	2,117.00	1,449.00
Total	**9,857.00**	**7,821.00**
Non-current liabilities		
- Financial liabilities (excluding trade payables)	9.00	243.00
- Other non-current liabilities	85.00	71.00
Total	**94.00**	**314.00**
Net assets	**27,414.00**	**25,771.00**
Opening net assets	25,771.00	24,149.00
Profit for the year	5,701.00	4,186.00
Other comprehensive income	128.00	(621.00)
Dividend paid	(1,742.00)	(2,005.00)
Changes in other equity	(2,444.00)	62.00
Closing net assets	**27,414.00**	**25,771.00**
Group's share in %	17.12%	16.70%
Group's share in INR	4,692.70	4,303.76

Goodwill	1,346.59	1,346.59
Other reconciling items	250.25	-
Carrying amount	**6,289.54**	**5,650.35**

Rs in million

Summarised statement of profit and loss	Mindtree Limited	
	As at 31 March 2018	As at 31 March 2017
Revenue	54,628.00	52,364.00
Depreciation and amortization	1,715.00	1,858.00
Finance costs	169.00	191.00
Tax expense	1,722.00	1,363.00
Profit for the year	5,701.00	4,186.00
Other comprehensive income	128.00	(621.00)
Total comprehensive income	5,829.00	3,565.00

(c) Individually immaterial joint venture and associates

The Group also has interests in a number of immaterial joint venture and associates that are accounted for using the equity method.

Rs in million

Particulars	Associates		Joint venture	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Carrying amount of interests in all individually immaterial associates/ joint ventures	353.56	527.68	240.20	170.72
Aggregate amount of Group's share of:				
- profit or loss from continuing operations.	31.64	30.85	36.90	6.26
- other comprehensive income	(0.20)	(6.13)	-	-
Total comprehensive income	31.44	24.72	36.90	6.26

55. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

A. Accounting classification and fair value

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Rs in million

As at 31 March 2018	Carrying amount				Fair value			
Particulars	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets:								
- Non-current investments	4.50	142.68	12.77	159.95	140.60	-	19.35	159.95
- Non-current loans								
Security deposits	-	-	1,195.66	1,195.66	-	-	-	-
Others	-	-	222.00	222.00	-	-	-	-
- Other non-current financial assets	-	-	590.69	590.69	-	-	-	-
- Current investments	117.27	-	-	117.27	78.40	-	38.87	117.27
- Trade receivables	-	-	4,797.88	4,797.88	-	-	-	-
- Cash and cash equivalents	-	-	15,446.01	15,446.01	-	-	-	-
- Bank balances other than cash and cash equivalents	-	-	1,224.22	1,224.22	-	-	-	-
- Current loans								
Security deposits	-	-	1,039.24	1,039.24	-	-	-	-
Others	-	-	334.48	334.48	-	-	-	-
- Other current financial assets	-	-	1,463.45	1,463.45	-	-	-	-
Total	**121.77**	**142.68**	**26,326.40**	**26,590.85**	**219.00**	**-**	**58.22**	**277.22**
Financial liabilities:								
- Non-current borrowings (including current maturities)								
Fixed rate instruments	-	-	22,791.59	22,791.59	-	22,929.60	-	22,929.60
Variable rate instruments	-	-	19,598.30	19,598.30	-	-	-	-
- Other non-current financial liabilities								
Derivative liability	15.00	-	-	15.00	-	15.00	-	15.00
Others	-	-	1,312.33	1,312.33	-	-	-	-
- Current borrowings								
Fixed rate instruments	-	-	3,472.75	3,472.75	-	-	-	-

Rs in million

As at 31 March 2018	Carrying amount				Fair value			
Particulars	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Variable rate instruments	-	-	4,636.38	4,636.38	-	-	-	-
- Trade payables	-	-	1,325.10	1,325.10	-	-	-	-
- Other current financial liabilities (excluding current maturities)	-	-	3,343.21	3,343.21	-	-	-	-
Total	**15.00**	**-**	**56,479.66**	**56,494.66**	**-**	**22,944.60**	**-**	**22,944.60**
Financial assets:								
- Non-current investments	1.30	273.57	-	274.87	271.93	-	2.94	274.87
- Non-current loans								
Security deposits	-	-	1,058.97	1,058.97	-	-	-	-
Others	-	-	45.09	45.09	-	-	-	-
- Other non-current financial assets	-	-	272.02	272.02	-	-	-	-
- Current investments	17.74	-	-	17.74	17.74	-	-	17.74
- Trade receivables	-	-	4,089.05	4,089.05	-	-	-	-
- Cash and cash equivalents	-	-	12,687.55	12,687.55	-	-	-	-
- Bank balances other than cash and cash equivalents	-	-	1,806.86	1,806.86	-	-	-	-
- Current loans								
Security deposits	-	-	1,114.12	1,114.12	-	-	-	-
Others	-	-	420.19	420.19	-	-	-	-
- Other current financial assets								
Interest rate swaps	-	6.55	-	6.55	-	6.55	-	6.55
Others	-	-	1,242.99	1,242.99	-	-	-	-
Total	**19.04**	**280.12**	**22,736.84**	**23,036.00**	**289.67**	**6.55**	**2.94**	**299.16**
Financial liabilities:								
- Non-current borrowings (including current maturities)								
Fixed rate instruments	-	-	18,103.09	18,103.09	-	19,360.69	-	19,360.69
Variable rate instruments	-	-	20,972.03	20,972.03	-	-	-	-
- Other non-current financial liabilities								
Derivative liability	15.00	-	-	15.00	-	15.00	-	15.00

Others	-	-	1,194.07	1,194.07	-	-	-	-
- Current borrowings								
Fixed rate instruments	-	-	2,331.26	2,331.26	-	-	-	-
Variable rate instruments	-	-	3,085.48	3,085.48	-	-	-	-
- Trade payables	-	-	1,011.68	1,011.68	-	-	-	-
- Other current financial liabilities (excluding current maturities)	-	-	3,604.63	3,604.63	-	-	-	-
Total	**15.00**	**-**	**50,302.24**	**50,317.24**	**-**	**19,375.69**	**-**	**19,375.69**

The Group has not disclosed the fair values for financial instruments such as other non current financial assets, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other current financial assets, loans, borrowings with fluctuating interest rate, other non current financial liabilities, trade payables and other current financial liabilities because their carrying amounts are a reasonable approximation of fair value.

B. Measurement of fair values

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements.
To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation technique and significant unobservable inputs

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. Related valuation processes are described in Note 2(F).

Financial instruments measurement	Type	Valuation Technique	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value measurement
Fair value	Derivative liability - Interest rate swaps	The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the entity and of the counter-party; this is calculated based on credit spreads derived from current credit default swap or bond prices.	Not applicable	Not applicable
Amortised cost	Borrowings at fixed interest rate	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using risk-adjusted / appropriate discounting rates.	Not applicable	Not applicable
Fair value	Equity shares	Estimated enterprise value per share of the investee company.	Not applicable	Not applicable

C. Financial risk management

The Group's has exposure to the following risks arising from financial instruments:
- credit risk (refer note ii below)
- liquidity risk (refer note iii below)
- market risk (refer note iv below)

(i) Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. 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's 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. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.
The carrying amount of financial assets represents the maximum credit exposure.

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 associated with the industry and country in which customers operate.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each client. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. In respect of trade and client receivables each company in the Group uses a provision matrix to compute the expected credit loss allowance.

Expected credit loss (ECL) assessment for customers as at 31 March 2018 and 31 March 2017:

The Group allocates each exposure to a credit risk is grade based on a variety of data that is determined to be predictive of the risk loss (including but not limited to past payment history, cash flow projections and available press information about the customers) and applying experienced credit judgement.

The following table provides information about the exposure to credit risk and the expected credit loss for trade receivables:

Rs in million

	As at 31 March 2018		As at 31 March 2017	
	Carrying amount	Provision amount	Carrying amount	Provision amount
Up to 180 days	2,130.77	-	1,528.42	-
180 days - 1 year	2,310.37	40.00	2,416.71	40.09
1 - 2 years	427.61	30.87	462.49	278.50
More than 2 years	277.34	277.34	75.84	75.82
	5,146.09	**348.21**	**4,483.46**	**394.41**

The gross carrying amount of trade receivables is Rs 5,146.09 million as at 31 March 2018 (31 March 2017: Rs 4,483.46 million)

Loans and other financial asset:

Expected credit loss for loans and other financial asset is as follows:

Particulars		Period ended	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount, net of impairment provision
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-Mar-18	Security deposits	2,234.91	0.0%	-	2,234.91
			Other financial asset	2,054.15	0.6%	11.80	2,042.35
			Loans	556.48	0.0%	-	556.48
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-Mar-17	Security deposits	2,173.09	0.0%	-	2,173.09
			Other financial asset	1,521.56	4.1%	62.63	1,458.93
			Loans	465.28	0.0%	-	465.28

Cash and cash equivalents (including bank balances, fixed deposits and margin money with banks):

Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Reconciliation of loss allowance:

Particulars	As at 31 March 2018	As at 31 March 2017
Loss allowance in the beginning of the year	457.04	396.70
Excess provision written back	(58.18)	(49.47)
Provision for doubtful debts	(65.10)	40.33
Provision for receivable from clients	11.80	62.63
Exchange differences on translation of foreign operations	14.46	6.85
Loss allowance at the end of the year	360.02	457.04

(iii) Liquidity risk

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.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Management of the Group in accordance with practice and limits set by the Group. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Exposure to liquidity risk

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities. The amounts are gross and undiscounted contractual cash flow.

Rs in million

As at 31 March 2018	Carrying amount	Total	Less than 1 year	1–2 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
- Non-current borrowings (including current maturities)	42,389.90	51,136.76	16,534.70	12,641.75	21,632.14	328.17
- Current borrowings	8,109.14	8,109.14	8,109.14	-	-	-
- Trade payables	1,325.10	1,325.10	1,325.10	-	-	-
- Other financial liabilities (current and non-current excluding current maturities)	4,655.54	4,655.54	3,343.21	1,312.33	-	-
	56,479.68	65,226.54	29,312.15	13,954.08	21,632.14	328.17
As at 31 March 2017	**Carrying amount**	**Total**	**Less than 1 year**	**1–2 years**	**3-5 years**	**More than 5 years**
Non-derivative financial liabilities						
- Non-current borrowings (including current maturities)	39,075.12	47,081.62	13,770.57	16,823.82	15,239.83	1,247.40
- Current borrowings	5,416.74	5,416.74	5,416.74	-	-	-
- Trade payables	1,011.68	1,011.68	1,011.68	-	-	-
- Other financial liabilities (current and non-current excluding current maturities)	4,798.70	4,798.70	3,604.63	1,194.07	-	-
	50,302.24	58,308.74	23,803.62	18,017.89	15,239.83	1,247.40

The outflows disclosed in the above table represent the contractual undiscounted cash flows relating to non-derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The Company does not have any undrawn loan commitments.

(iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the risk management committee. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group. The functional currencies of the Group is primarily INR. The currencies in which these transactions are primarily denominated are Euro and US dollars, etc.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

Rs In million

Particulars	As at 31 March 2018	As at 31 March 2017
	Foreign Currency Amount	
Financial assets		
Trade receivables		
AUD	0.14	0.18
BRL	0.04	0.08
CAD	0.17	0.17
CHF	0.00	0.00
EURO	0.46	0.56
GBP	0.17	0.31
SGD	0.03	0.03
USD	13.69	9.47
Advances recoverable in cash or in kind		
USD	1.45	0.50
Financial liabilities		
Bank loan		
USD	(124.10)	(131.15)
EURO	(43.98)	(2.02)
Other current liabilities		
USD	(1.60)	-
Net statement of financial position exposure	**(153.53)**	**(121.87)**
Less: Forward exchange contracts (USD)	2.25	2.94
Net exposure	**(151.28)**	**(118.93)**

Particulars	Year-end spot rate	
	As at 31 March 2018	As at 31 March 2017
Financial assets		
Trade receivables		
AUD	49.9	49.61
BRL	19.64	20.7
CAD	50.36	48.58
CHF	68.03	64.91
EURO	81.32	69.51
GBP	91.09	80.63
SGD	49.51	46.39
USD	64.64	64.74

Sensitivity analysis

A reasonably possible strengthening (weakening) of foreign currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Rs in million

Particulars	Percentage movement	Profit or loss	
		Strengthening	Weakening
31 March 2018			
AUD	1%	0.04	(0.04)
BRL	-5%	(0.04)	0.04
CAD	4%	0.32	(0.32)
CHF	5%	0.02	(0.02)
EURO	17%	(601.25)	601.25
GBP	13%	2.03	(2.03)
SGD	7%	0.09	(0.09)
USD	1%	(71.46)	71.46
31 March 2017			
AUD	-2%	(0.18)	0.18
BRL	14%	0.22	(0.22)
CAD	-4%	(0.35)	0.35
CHF	2%	0.00	(0.00)
EURO	-7%	7.19	(7.19)
GBP	-15%	(4.42)	4.42
SGD	-5%	(0.07)	0.07
USD	-2%	162.03	(162.03)

Commodity price risk

The Group purchases coffee on an ongoing basis for its operations. The increased volatility in coffee price has led to the decision to enter into commodity forward contracts. Its operating activities require the ongoing purchase and sale of coffee and therefore require a continuous supply of coffee. The Group's Board of Directors have developed and enacted a risk management strategy regarding commodity price risk and its mitigation. Based on a 12-month forecast of the required coffee supply, the Group hedges the purchase price using forward commodity purchase contracts.

Exposure to commodity risk

The exposure of the Group due to commodity price changes at the end of the reporting period are as follows :

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Financial asset	8.00	22.22
Net exposure	8.00	22.22

Sensitivity analysis

A reasonably possible strengthening (weakening) of the coffee prices as at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

Rs in million

Commodity price sensitivity	Profit or loss	
	Strengthening	Weakening
31 March 2018		
Coffee (11% movement)	(1.60)	1.60
31 March 2017		
Coffee (11% movement)	(1.47)	1.47

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group has entered into interest rate swap to hedge the interest rate risk.

Exposure to interest rate risk

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows :

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Fixed rate instruments:		
Financial assets	6,986.13	8,049.85
Financial borrowings	(26,264.34)	(20,434.35)
Effect of interest rate swaps	2,000.00	1,808.94
Fixed rate instruments exposed to interest rate risks	**(17,278.21)**	**(10,575.56)**
Variable rate instruments:		
Financial borrowings	(24,234.68)	(24,057.51)
Effect of interest rate swaps	(2,000.00)	(1,808.94)
Variable rate instruments exposed to interest rate risks	**(26,234.68)**	**(25,866.45)**

Sensitivity analysis

Fair value sensitivity analysis for fixed-rate instruments
The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 1% in interest rates at the reporting date would have increased (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Rs in million

Particulars	Profit or loss	
	1% increase	1% decrease
31 March 2018		
Variable rate instruments	(262.35)	262.35
31 March 2017		
Variable rate instruments	(258.66)	258.66

Equity Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.
The majority of the company's equity investments are publicly traded.

Exposure to equity price risk

The exposure of the Group's equity to price changes at the end of the reporting period are as follows :

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Quoted investments:		
Fair value through profit and loss	78.40	17.74
Fair value through other comprehensive income	140.60	271.93

Sensitivity analysis

The table below summarises the impact of increase/decrease of the market price of the listed instruments on the Group's equity and profit for the period. The analysis is based on the assumption that the market price had increased by 2% or decreased by 2%

Rs in million

Particulars	Impact on profit or loss		Impact on other comprehensive income		Impact on equity, net of tax	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Market price increases by 2%	1.57	0.35	2.81	5.44	2.86	3.79
Market price decreases by 2%	(1.57)	(0.35)	(2.81)	(5.44)	(2.86)	(3.79)

Hedge accounting

The Group holds the following instruments to hedge exposures to changes in interest rates:

Rs in million

	31 March 2018		31 March 2017	
	Maturity in less than 1 year	Maturity in more than 1 year	Maturity in less than 1 year	Maturity in more than 1 year
Interest rate risk				
Interest rate swaps:				
Net exposure	-	-	191.06	-
Average fixed interest rate (LIBOR)	-	-	1.71%	-

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

As at 31 March 2018: *Rs in million*

Type of hedge and risks	Nominal value	Carrying amount of hedging instrument	Line item in the statement of financial position where the hedging instrument is included	Changes in the value of the hedging instrument recognised in OCI	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from equity head 'effective portion of cash flow hedges' to profit or loss	Line item in profit or loss affected by the reclassification
		Asset						
Interest rate risk								
- Interest rate swap	-	-	Other financial assets	0.40	(0.40)	Nil	Nil	Nil

As at 31 March 2017: *Rs in million*

Type of hedge and risks	Nominal value	Carrying amount of hedging instrument	Line item in the statement of financial position where the hedging instrument is included	Changes in the value of the hedging instrument recognised in OCI	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from equity head 'effective portion of cash flow hedges' to profit or loss	Line item in profit or loss affected by the reclassification
		Asset						
Cash flow hedge:								
- Interest rate swap	192.66	6.55	Other financial assets	7.31	(7.31)	Nil	Nil	Nil

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting:

Rs in million

Particulars	31 March 2018	31 March 2017
	Equity head 'Effective portion of cash flow hedges'	Equity head 'Effective portion of cash flow hedges'
Opening balance for the period	(8.04)	(11.38)
Cash flow hedges : Interest rate risk	0.40	7.31
Changes in fair value		
Tax on movements in relevant items of OCI during the year	(0.14)	(2.53)
Non-controlling interest	(0.02)	(1.44)
Closing balance for the period	**(7.80)**	**(8.04)**

56 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total interest-bearing loans and borrowings less cash and cash equivalents including deposits. Equity comprises all components of equity including non-controlling interest. The Group's adjusted net debt to equity ratio at 31 March 2018 was as follows:

Rs in million

Particulars	"As at 31 March 2018"	As at 31 March 2017"
Total borrowings	50,499.03	44,491.86
Less: cash and cash equivalents including deposits	17,260.92	14,766.43
Adjusted net debt	33,238.11	29,725.43
Equity	30,154.58	28,483.40
Adjusted net debt to equity ratio	1.10	1.04

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

57. ACQUISITIONS OF SUBSIDIARIES PATCHEMS PRIVATE LIMITED AND PNX LOGISTICS PRIVATE LIMITED

(i) On 30 June 2017, the Group acquired 51% percent of the voting shares of Patchems Private Limited, engaged in the business of providing integrated supply chain solutions including warehousing/logistics and other value added services to clients in Pharma and FMCG space.

For the nine months ended 31 March 2018, Patchems contributed revenue of Rs. 181.1 million and profit after tax of Rs. 8.5 million to the Group's results. Management estimates that if the acquisition had occurred on 1 April 2017, consolidated revenue and consolidated profit for the year would have been Rs. 230.9 million and Rs. 8.6 million, respectively. Management has determined these amounts on the basis that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2017.

a) Consideration transferred:

The Group has acquired 51% of the share capital of Patchems and balance agreed to be acquired in stages on or before 30 June 2020.

The total consideration is Rs. 950 million and payment staggered on the stage of purchase with an initial payment of Rs. 61.8 million at the time of transfer of 51% of the shares held by the earlier promoters.

b) Acquisition-related costs:

The Group incurred acquisition-related costs of Rs 0.9 million on legal fees and due diligence costs.

c) Goodwill:

Goodwill arising from the acquisition has been determined by deducting the total net identifiable assets acquired from the consideration transferred which amounts to Rs. 46.3 million. The goodwill is attributable mainly to the skills and technical talent of Patchems' work force and the synergies expected to be achieved from integrating Patchems into the Group's existing business. None of the goodwill recognised is expected to be deductible for income tax purposes.

(ii) On 30 June 2017, the Group acquired 60% percent of the voting shares of PNX Logistics Private Limited, engaged in the business of express logistics, providing end to end logistics solutions for B2B clients including carrying on the business of transportation of goods by air.

For the nine months ended 31 March 2018, PNX contributed revenue of Rs. 395.8 million and profit after tax of Rs. 15.9 million to the Group's results. Management estimates that if the acquisition had occurred on 1 April 2017, consolidated revenue and consolidated profit for the year would have been Rs. 500.3 million and Rs. 0.52 million, respectively. Management has determined these amounts on the basis that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2017.

a) Consideration transferred:

The Group has acquired 60% of the share capital of PNX and balance agreed to be acquired after 3 years i.e. on or before 30 June 2020.

The total consideration is Rs. 100 million - bifurcated into Rs. 60 million for the initial acquisition of 60% and the balance Rs. 40 million on the acquisition of balance shares in 2020.

b) Acquisition-related costs:

The Group incurred acquisition-related costs of Rs 0.9 million on legal fees and due diligence costs.

c) Goodwill:

Goodwill arising from the acquisition has been determined by deducting the total net identifiable assets acquired from the consideration transferred which amounts to Rs. 24.3 million. The goodwill is attributable mainly to the skills and technical talent of Patchems' work force and the synergies expected to be achieved from integrating Patchems into the Group's existing business. None of the goodwill recognised is expected to be deductible for income tax purposes.

58. SCHEME OF AMALGAMATION OF COFFEE DAY OVERSEAS PRIVATE LIMITED "CDOPL" WITH THE HOLDING COMPANY

Scheme of Amalgamation

During the year ended 31 March 2018, the holding Company vide National holding Company Law Tribunal ("NCLT") order dated 31 August 2017, merged CDOPL with itself, effective from the appointed date 1st August 2016, under the scheme of Amalgamation as approved by the holding Company vide its Board meeting dated 11 August 2016. The merger with CDOPL helps the holding Company in consolidating its stake in Coffee Day Global Limited; a subsidiary of the holding Company. CDOPL holds 3.21% of equity shares in Coffee Day Global Limited, on a fully diluted basis.

Measurement and Consideration

The holding Company has considered the said merger as an asset acquisition with the purchase price allocated to identifiable assets and liabilities based on relative fair values. The consideration for the said asset acquisition has been discharged by issue of 52,50,000 equity shares of Rs.10 each at a premium of Rs.235 per share amounting to Rs. 1,286.83 million.

Impact on financial statements

The holding Company, upon the scheme becoming operative, recorded the assets and liabilities of CDOPL vested in it pursuant to this scheme from the appointed date and accordingly have restated its financials for the year ended 31 March 2017. The accounting treatment is different from that prescribed under Ind AS 103 - Business Combinations.

Transaction costs

The Group incurred transaction costs of Rs. 3.84 millions on legal, professional and due diligence fees. These costs are capitalized as a component of the cost of the assets acquired.

59 SALE OF EQUITY STAKE IN "GLOBAL EDGE SOFTWARE LIMITED

During the year ended 31 March 2018, "Global Edge Software Limited" ceased to be an associate of the Group pursuant to sale of 95% of the stake in the entity held by the Group. The Group has given the effect of this sale during the year and has recorded profit on sale of stake amounting to Rs. 532 million; and has also disclosed the same as an exceptional item for the year. The Group, however, has accounted share of profit using equity method upto the date of transaction i.e. 25 September 2017, post which it ceased to be an associate.

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

f or **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

for and on behalf of the Board of Directors of
Coffee Day Enterprises Limited

Sd/-
Supreet Sachdev
Partner
Membership no.: 205385

Place: Bangalore
Date: 17 May 2018

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
R. Ram Mohan
Chief Financial Officer

Place: Bangalore
Date: 17 May 2018

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART -A : SUBSIDIARIES

Statement containing salient features of the financial statements of the Subsidiary Companies as on March 31, 2018/ December 31, 2017

1	2	3	4	5	6	7	
S. No.	**Name of the Subsidiary Company**	**Reporting period**	**Reporting currency**	**Exchange rate as on March 31, 2018/ December 31, 2017**	**Share Capital**	**Reserves & Surplus**	
1	Coffee Day Global Limited	Apr-March	INR	1	171.14	9651.73	
2	Tanglin Developments Limited	Apr-March	INR	1	51.30	651.50	
3	Coffeeday Hotels & Resorts Private Limited	Apr-March	INR	1	112.24	(390.20)	
4	Coffee Day Trading Limited	Apr-March	INR	1	348.32	2,462.35	
5	Classic Coffee Curing Works	Apr-March	INR	1	31.01	(12.95)	
6	Coffeelab Limited	Apr-March	INR	1	0.59	(7.76)	
7	A N Coffeeday International Limited	Apr-March	USD	64.64	173.48	612.57	
8	Coffee Day Gastronomie Und Kaffeehandles GmbH	Apr-March	EURO	81.32	35.07	(32.65)	
9	Coffee Day C Z a.s	Apr-March	CKZ	2.91	128.13	(278.60)	
10	Tanglin Retail Reality Developments Private Limited	Apr-March	INR	1	1.00	(500.46)	
11	Giri Vidhyuth (India) Limited	Apr-March	INR	1	8.75	(6.59)	
12	Sical Logistics Limited	Apr-March	INR	1	0.10	-	
13	PNX Logistics Private Limited	Apr-March	INR	1	5.50	20.40	
14	Develecto Mining Limited	Apr-March	INR	1	0.10	-	
15	Patchems P Ltd.	Apr-March	INR	1	0.10	40.50	
16	Sical Mining Limited	Apr-March	INR	1	0.10	-	
17	Sical Iron Ore Terminal Limited	Apr-March	INR	1	1,300.00	18.04	
18	Sical Iron Ore Terminal (Mangalore) Limited	Apr-March	INR	1	365.00	-	
19	Sical Adams Offshore Limited	Apr-March	INR	1	0.50	-	
20	Sical Saumya Mining Limited	Apr-March	INR	1	0.10	32.80	
21	Norsea Offshore India Limited	Apr-March	INR	1	0.50	(619.80)	
22	Sical Infra Assets Limited	Apr-March	INR	1	532.97	2,001.20	
23	Sical Bangalore Logistics Park Limited	Apr-March	INR	1	0.10	-	

Rs. In Millions

	8	9	10	11	12	13	14	15	16
	Total Assets	Total Liabilities excluding (6) & (7)	Investments	Percentage of Holding	Turnover	Profit before Taxation (PBT)	Provision for Taxation	Profit after Taxation (PAT)	Proposed Dividend
	20674.60	10851.73	700.09	89.62	17765.49	556.03	196.18	359.85	-
	26206.10	25503.30	1101.30	100.00	1498.60	170.90	56.90	114.00	-
	2,592.22	2,870.18	352.27	100.00	108.71	(146.12)	-	(146.12)	-
	2,967.06	156.39	211.28	88.77	1,675.54	815.22	90.76	724.46	-
	19.25	1.19	-	100.00	0.11	(1.30)	-	(1.30)	-
	6.37	13.54	-	100.00	17.64	(1.83)	-	(1.83)	-
	786.68	0.63	645.22	100.00	-	(1.66)	-	(1.66)	-
	26.96	24.54	-	100.00	60.07	(19.21)	0.13	(19.34)	-
	50.39	200.86	-	100.00	149.10	(34.47)	-	(34.47)	-
	7,484.63	7,984.09	-	100.00	6.12	(64.33)	4.41	(68.75)	-
	3.57	1.41	-	100.00	-	(0.03)	-	(0.03)	-
	0.10	-	-	100.00	-	-	-	-	-
	326.50	300.60	-	60.00	505.00	7.40	2.30	5.10	-
	0.10	-	-	51.00	-	-	-	-	-
	89.30	48.70	-	51.00	232.80	12.50	4.00	8.50	-
	0.10	-	-	100.00	-	-	-	-	-
	8,700.40	7,382.36	-	63.00	-	-	-	-	-
	395.90	30.90	-	100.00	-	-	-	-	-
	0.60	0.10	-	100.00	-	-	-	-	-
	821.50	788.60	-	65.00	1,322.20	22.60	7.50	15.10	-
	1,102.60	1,721.90	-	100.00	-	-	-	-	-
	2,624.90	90.73	913.20	53.00	125.50	13.00	4.16	8.84	-
	17.50	17.40	-	53.00	-	-	-	-	-

1	2	3	4	5	6	7	
S. No.	Name of the Subsidiary Company	Reporting period	Reporting currency	Exchange rate as on March 31, 2018/ December 31, 2017	Share Capital	Reserves & Surplus	
24	Sical Multimodal and Rail Transport Limited	Apr-March	INR	1	726.90	940.10	
25	Bergen Offshore Logistics Pte Limited	Apr-March	USD	64.64	10.08	(9.99)	
26	Norsea Global Offshore Pte Limited	Apr-March	USD	64.64	6.79	(6.67)	
27	Wilderness Resorts Private Limited	Apr-March	INR	1	12.83	(36.13)	
28	Karnataka Wildlife Resorts Private Limited	Apr-March	INR	1	13.00	(209.10)	
29	Magnasoft Consulting India Private Limited	Apr-March	INR	1	33.62	345.19	
30	Magnasoft Europe Limited	Apr-March	GBP	91.09	0.09	(7.85)	
31	Magnasoft Spatial Services Inc.	Apr-March	USD	64.64	0.00	(17.81)	
32	Way2Wealth Securities Private Limited	Apr-March	INR	1	475.00	872.20	
33	Way2Wealth Distributors Private Limited	Apr-March	INR	1	2.50	(4.74)	
34	Way2Wealth Capital Private Limited	Apr-March	INR	1	80.00	79.75	
35	Way2Wealth Enterprises Private Limited	Apr-March	INR	1	0.10	27.72	
36	Way2Wealth Insurance Brokers Private Limited	Apr-March	INR	1	10.00	6.34	
37	Mandi2Market Traders Private Limited	Apr-March	INR	1	6.00	(4.70)	
38	Way2Wealth Brokers Private Limited	Apr-March	INR	1	183.50	721.00	
39	Way2Wealth Commodities Private Limited	Apr-March	INR	1	15.00	1.83	
40	AlphaGrep Securities Private Limited	Apr-March	INR	1	14.50	500.40	
41	AlphaGrep Commodities Private Limited	Apr-March	INR	1	1.00	149.19	
42	Way2Wealth Illuminati Pte Limited	Apr-March	USD	64.64	2.00	0.84	
43	AlphaGrep Holding HK Limited	Apr-March	USD	64.64	0.00	(1.17)	
44	AlphaGrep UK Limited	Apr-March	USD	64.64	0.01	0.02	
45	Shanghai Dao Ge International Trading Limited	Jan-Dec	USD	64.64	0.05	0.09	

Rs. In Millions

	8	9	10	11	12	13	14	15	16
	Total Assets	Total Liabilities excluding (6) & (7)	Investments	Percentage of Holding	Turnover	Profit before Taxation (PBT)	Provision for Taxation	Profit after Taxation (PAT)	Proposed Dividend
	5,810.70	4,143.70	34.50	53.00	1,707.00	88.30	33.50	54.80	-
	0.16	0.07	0.13	100.00	-	0.01	-	-	-
	0.23	0.10	-	100.00	-	-	-	-	-
	1,092.94	1,116.24	1.30	100.00	-	(70.88)	-	(70.88)	-
	795.55	991.65	-	100.00	77.15	11.81	-	11.81	-
	609.72	230.91	0.09	77.88	532.93	86.30	14.33	71.97	-
	0.73	8.49	-	100.00	-	(0.33)	-	(0.33)	-
	28.35	46.16	-	100.00	63.64	0.80	-	0.80	-
	2,170.80	823.60	968.30	85.53	507.80	69.70	21.90	47.80	-
	6.28	8.52	1.78	100.00	0.76	(3.04)	(0.58)	(2.45)	-
	398.52	238.77	55.90	99.99	43.86	16.10	4.46	11.64	-
	99.09	71.27	-	100.00	680.67	41.57	13.78	27.79	-
	30.70	14.36	-	99.99	47.55	6.29	2.02	4.28	
	16.24	14.94	-	99.99	2.22	(4.13)	(0.95)	(3.18)	-
	1,915.50	1,011.00	129.80	99.99	1,393.80	93.10	19.10	74.00	-
	234.45	217.62	-	100.00	241.03	8.03	1.78	6.25	-
	864.10	349.20	165.90	51.00	446.00	41.00	13.90	27.10	-
	294.16	143.97	38.60	100.00	1,669.85	220.16	71.71	148.45	-
	15.28	12.44	0.06	100.00	8.79	0.04	(0.23)	0.27	-
	1.23	2.40	-	100.00	0.76	(1.63)	0.50	1.13	-
	0.08	0.05	-	100.00	0.40	0.02	0.00	0.02	-
	1.31	1.35	-	100.00	1.28	0.24	0.06	0.18	-

PART -B : ASSOCIATES AND JOINT VENTURES

Statement containing salient features of the financial statements of the Associates and Joint Ventures as on March 31, 2018/ December 31, 2017

Rs. In Millions

1	2	3	4	5	6	7	8	9	10
S. No.	Name of the Company	Category of the Company	Latest Audited Balance Sheet date	No. of Shares held by the Company in Associate/JV at the year end	Amount of Investment in Associates	Per-cent-age of Hold-ing	Reason why the Associ-ate is not consoli-dated	Net worth attributable to share-holding as per latest audited Bal-ance Sheet	Profit Consid-ered in Consoli-dation
1	Mindtree Limited	Associate	31-Mar-18	28,056,012	2,071.90	17.12	NA	4,692.70	926.42
2	Ittiam Systems Private Limited	Associate	31-Mar-18	3,200,000	128.72	32.51	NA	177.92	13.26
3	Barefoot Resorts and Leisure India Private Limited	Associate	31-Mar-18	17,672	160	27.69	NA	90.29	1.23
4	Global Edge Software Private Limited *(Until 25th September 2017)*	Associate	31-Mar-18	-	-	-	NA	-	17.15
5	Coffee Day Schaerer Technologies Private Limited	Joint Venture	31-Mar-18	686,000	6.86	49	NA	-2.7	-1.72
6	PSA Sical Terminals Limited	Joint Venture	31-Mar-18	5,625,030	65.4	37.5	NA	230.62	48.21
7	Sical Sattva Rail Terminal Private Limited	Joint Venture	31-Mar-18	1,725,000	34.5	50	NA	10.88	11.30

Notes:

1 There is a Significant influence due to percentage of Share Capital.

2 Names of Subsidiaries or Associates or Joint Ventures which are yet to commence business are:

A. Subsidiaries:

a. Girividyuth India Limited
b. Sical Mining Limited
c. Develecto Mining Limited
d. Sical Adams Offshore Limited
e. Bergen Offshore Logistics Pte Limited
f. Norsea Offshore Pte Limited
g. Sical Iron Ore Terminal Limited
h. Sical Iron Ore Terminal (Mangalore) Limited

3 Name of associates or subsidiaries which have been liquidated or sold during the year are:

A. Subsidiaries:

a. Ganga Coffee Curing Works Limited (GCCWL)
b. Amalgamated Holding Limited (AHL)

c. Coffee Day Properties (India) Private Limited
(CDP(I)PL).
(The Regional Director (RD) of Hyderabad has issued the order dated 30th January, 2018 and approved the merger of Coffee Day Global Limited ('Material Subsidiary') and its wholly-owned subsidiaries i.e. GCCWL, AHL and CDP(I)PL.
d. Way2Wealth Realty Advisors Private Limited

B. Associates:

a Global Edge Software Limited (GESL)
(The Subsidiary of the Company i.e. Coffee Day Trading Limited has divested its shares in GESL)

for and on behalf of the Board of Directors of
Coffee Day Enterprises Limited

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
R. Ram Mohan
Chief Financial Officer

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

Place: Bangalore
Date: 17 May 2018



INDEPENDENT AUDITOR'S REPORT

To the Members of Coffee Day Global Limited

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of Coffee Day Global Limited (" hereinafter referred to as the Holding Company"), its subsidiaries and a joint venture (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement, for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated state of affairs, consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Holding Company, 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 Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements.

We are also responsible to 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 Group to continue as a going

concern. If we conclude that a material uncertainty exists, we are required to draw attention in the 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 Group to cease to continue as a going concern.
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 sub-paragraph 2 (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2018, and their consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Other matters

A. We did not audit the financial statements of three subsidiary companies incorporated outside India, whose financial statements reflect total assets of Rs 850.99 million as at 31 March 2018, total revenues of Rs 209.17 million and net cash inflows amounting to Rs 9.63 million for the year then ended, as considered in the consolidated financial statements. The financial statements of these subsidiaries, incorporated outside India, are drawn up in accordance with the generally accepted accounting principles of the respective countries ('the local GAAP') which have been audited by other auditors duly qualified to act as auditors in those countries. For the purpose of preparation of consolidated financial statements, the aforesaid local GAAP financial statements have been restated by the Management of the said entities so that they conform to the generally accepted accounting principle of India.

B. We did not audit the financial statements of one subsidiary company whose financial statements reflect total assets of Rs 19.26 million as at 31 March 2018, total revenues of Rs 0.11 million and net cash outflows amounting to Rs nil for the year then ended, as considered in the consolidated financial statements.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary companies, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary companies is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

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 report of the other auditors on separate financial statements and the other financial information of the Group, as noted in the 'other matter' paragraph, 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, the Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement 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 Indian Accounting Standards specified under section 133 of the Act;

E. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and a joint venture incorporated in India, none of the directors of the Group incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;

F. With respect to the adequacy of the internal financial controls with reference to financial statements of the Group incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure".

G. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint venture as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer note 33 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2018;

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Group operations incorporated in India during the year ended 31 March 2018; and

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited consolidated financial statements for the period ended 31 March 2017 have been disclosed. Refer note 38 to the consolidated financial statements.

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership number: 205385
Bangalore
17 May 2018

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls with reference to financial statements of Coffee Day Global Limited ('the Holding Company') and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor's in terms of their reports referred to in other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note ICAI.

Other matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to one subsidiary companies, which is a company incorporated in India, is based on the corresponding reports of the auditors of such companies.

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/-
Supreet Sachdev
Partner
Membership number: 205385
Bangalore
17 May 2018

COFFEE DAY GLOBAL LIMITED AND ITS SUBSIDIARY COMPANIES

Consolidated financial statements for the year ended 31 March 2018

COFFEE DAY GLOBAL LIMITED

Consolidated Balance Sheet

Rs in million

	Note	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	4-A	9,491.32	9,388.17
Capital work-in-progress	4-B	781.95	535.15
Goodwill	5	185.65	159.40
Intangible assets	6	104.90	85.25
Investments	7	12.77	1.72
Financial assets			
- Loans	8-A	860.70	780.54
- Other financial assets	9-A	9.00	77.63
Deferred tax assets (net)	32-D	124.43	91.27
Other tax assets		44.87	39.40
Other assets	10-A	845.45	754.12
Total non-current assets		**12,461.04**	**11,912.65**
Current assets			
Inventories	11	816.46	1,186.80
Financial assets			
- Trade receivables	12	2,139.00	1,545.83
- Cash and cash equivalents	13	3,846.96	2,159.51
- Bank balances other than cash and cash equivalent	14	74.12	60.01
- Loans	8-B	26.70	50.18
- Other financial assets	9-B	88.75	133.59
Other assets	10-B	721.53	801.66
Total current assets		7,713.52	5,937.58
Total assets		**20,174.56**	**17,850.23**

EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	171.14	169.91
Compulsorily convertible debentures	16	4,100.00	4,100.00
Other equity	17	9,077.76	8,536.61
Total equity attributable to owners of the Company		**13,348.90**	**12,806.52**
Non-current liabilities			
Financial liabilities			
- Borrowings	18-A	2,114.52	1,190.66
- Other financial liabilities	19-A	419.60	372.75
Provisions	20-A	31.86	16.62
Other liabilities	21-A	82.57	72.97
Total non-current liabilities		**2,648.55**	**1,653.00**
Current liabilities			
Financial liabilities			
- Borrowings	18-B	1,866.68	1,009.60
- Trade payables	22	308.41	286.22
- Other financial liabilities	19-B	1,394.85	1,431.38
Provisions	20-B	18.57	22.47
Current tax liabilities (net)	23	172.75	222.81
Other current liabilities	21-B	415.85	418.23
Total current liabilities		4,177.11	3,390.71
Total equity and liabilities		**20,174.56**	**17,850.23**
Significant accounting policies	3		

The notes referred to above form an integral part of these consolidated financial statements

As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Supreet Sachdev
Partner
Membership number: 205385

Place: Bangalore
Date: 17 May 2018

for and on behalf of the Board of Directors of
Coffee Day Global Limited

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Sd/-
Jayraj C Hubli
CFO/ Director
DIN: 00073670

Place: Bangalore
Date: 17 May 2018

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

COFFEE DAY GLOBAL LIMITED

Consolidated statement of profit and loss

Rs in million

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Income			
Revenue from operations	24	17,770.48	15,354.66
Other income	25	217.35	283.65
Total income		**17,987.83**	**15,638.31**
Expenses			
Cost of materials consumed	26	8,089.62	7,198.36
Cost of traded goods		38.91	59.54
Changes in inventories of finished goods and work-in-progress	27	56.79	12.00
Employee benefits expense	28	2,432.57	2,082.34
Finance costs	29	682.81	478.95
Depreciation and amortization expense	30	1,742.73	1,632.65
Other expenses	31	4,297.07	3,676.81
Total expenses		17,340.50	15,140.65
Profit before tax		**647.33**	**497.66**
Current tax		309.05	274.57
Deferred tax		(33.17)	(44.08)
Income tax expense	32	275.88	230.49
Profit for the year before loss from joint venture		**371.45**	**267.17**
Share of loss of joint venture		(1.72)	(3.54)
Profit for the year		**369.73**	**263.63**
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plan actuarial gains/ (losses)		5.98	(0.91)
Income tax relating to items that will not be reclassified to profit or loss		(2.07)	(0.05)
		3.91	(0.96)
Items that will be reclassified subsequently to profit or loss:			
Foreign currency translation reserve		(1.28)	9.68
Effective portion of gains and losses on hedging		0.40	7.31
Income tax relating to items that will be reclassified to profit or loss		(0.14)	(2.53)
		(1.02)	14.46
Other comprehensive income for the year, net of tax		**2.89**	**13.50**

Total comprehensive income for the year, net of tax		**372.62**	**277.13**
Total comprehensive income attributable to:			
- Owners of the company		372.62	277.13
- Non-controlling interests		-	-
Earnings per equity share	34		
- Basic		2.17	1.56
- Diluted		1.94	1.39
Significant accounting policies	3		

The notes referred to above form an integral part of these consolidated financial statements
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

for and on behalf of the Board of Directors of
Coffee Day Global Limited

Sd/-
Supreet Sachdev
Partner
Membership number: 205385

Sd/-
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/-
Malavika Hegde
Director
DIN: 00136524

Place: Bangalore
Date: 17 May 2018

Sd/-
Jayraj C Hubli
CFO/ Director
DIN: 00073670

Place: Bangalore
Date: 17 May 2018

Sd/-
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

COFFEE DAY GLOBAL LIMITED

Consolidated statement of changes in equityww

A. Equity share capital

Rs in million

Particulars	Amount
Equity shares of Re 1 each issued, subscribed and fully paid	
Balance as at the 1 April 2016	168.68
Changes in equity share capital during 2016-17	1.23
Balance as at the 31 March 2017	169.91
Changes in equity share capital during 2017-18	1.23
Balance as at 31 March 2018	171.14

B. Instruments entirely equity in nature Compulsorily convertible debentures

Compulsorily convertible debentures of Rs 100 each	
Balance as at the 1 April 2016	4,100.00
Changes in equity share capital during 2016-17	-
Balance as at the 31 March 2017	4,100.00
Changes in equity share capital during 2017-18	-
Balance as at 31 March 2018	4,100.00

C. Other Equity

Rs in million

Particulars	Reserves and Surplus						Other comprehensive income		Equity attributable to owners of the company
	Capital reserve	Shares options outstanding account	Securities premium	Debenture redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	Effective portion of cash flow hedge	
Balance as at 1 April 2016	0.04	51.33	7,468.59	125.10	106.50	318.21	17.73	(5.04)	8,082.46
Total comprehensive income for the year ended 31 March 2017:									
Profit during the year	-	-	-	-	-	263.63	-	-	263.63
Effective portion of gains and losses on hedging	-	-	-	-	-	-	-	4.78	4.78
Actuarial gain/ (losses)	-	-	-	-	-	(0.96)	-	-	(0.96)
Exchange difference arising on translating the foreign operations, net of tax	-	-	-	-	-	-	9.68	-	9.68
Total comprehensive income	0.04	51.33	7,468.59	125.10	106.50	580.88	27.41	(0.26)	8,359.59

Particulars	Reserves and Surplus						Other comprehensive income		Equity attributable to owners of the company
	Capital reserve	Shares options outstanding account	Securities premium	Debenture redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	Effective portion of cash flow hedge	
Contributions and distributions:									
Dividends	-	-	-	-	-	(3.75)	-	-	(3.75)
Transferred from statement of profit and loss for the year	-	-	-	(125.10)	-	125.10	-	-	-
Conversion of compulsorily convertible debentures to equity shares	-	-	168.45	-	-	-	-	-	168.45
Share-based payment	-	12.71	-	-	-	-	-	-	12.71
Others	(0.39)	-	-	-	-	-	-	-	(0.39)
Balance as at 31 March 2017	**(0.35)**	**64.04**	**7,637.04**	**-**	**106.50**	**702.23**	**27.41**	**(0.26)**	**8,536.61**
Total comprehensive income for the year ended 31 March 2018:									
Profit during the year	-	-	-	-	-	369.73	-	-	369.73
Effective portion of gains and losses on hedging	-	-	-	-	-	-	-	0.26	0.26
Actuarial gain/ (losses)	-	-	-	-	-	3.91	-	-	3.91
Exchange difference arising on translating the foreign operations, net of tax	-	-	-	-	-	-	(1.28)	-	(1.28)
Total comprehensive income	**(0.35)**	**64.04**	**7,637.04**	**-**	**106.50**	**1,075.87**	**26.13**	**-**	**8,909.23**

Particulars	Reserves and Surplus						Other comprehensive income		Equity attributable to owners of the company
	Capital reserve	Shares options outstanding account	Securities premium	Debenture redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	Effective portion of cash flow hedge	
Contributions and distributions:									
Total comprehensive income	(0.35)	64.04	7,637.04	-	106.50	1,075.87	26.13	-	8,909.23
Conversion of compulsorily convertible debentures to equity shares	-	-	168.53	-	-	-	-	-	168.53
Share-based payment	-	(64.04)	-	-	64.04	-	-	-	-
Balance as at 31 March 2018	(0.35)	-	7,805.57	-	170.54	1,075.87	26.13	-	9,077.76

The notes referred to above form an integral part of these consolidated financial statements

As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

for and on behalf of the Board of Directors of
Coffee Day Global Limited

Supreet Sachdev
Partner
Membership number: 205385

Place: Bangalore
Date: 17 May 2018

V. G. Siddhartha
Managing Director
DIN: 00063987

Malavika Hegde
Director
DIN: 00136524

Jayraj C Hubli
CFO/ Director
DIN: 00073670

Place: Bangalore
Date: 17 May 2018

Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

COFFEE DAY GLOBAL LIMITED

Consolidated statement of cash flow statement

Rs in million

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flows from operating activities		
Profit before tax	647.33	497.66
Adjustments:		
- Interest income (including fair value change in financial instruments)	(186.20)	(243.01)
- Provision for doubtful debts, net	-	20.00
- Provision for impairment of goodwill	-	7.07
- Share based payments	-	12.71
- Loss on sale of property, plant and equipment, net	-	3.01
- Interest expense (financial instruments under amortized cost)	682.81	478.95
- Depreciation and amortization expense	1,742.73	1,632.65
- Gain from forex hedging	-	(1.05)
- Commission income on guarantees given to group companies	(3.78)	(6.58)
- Effect of foreign currency translation of subsidiaries	(27.53)	18.80
-Foreign exchange loss, net	49.85	0.02
- Rent (financial instruments under amortized cost)	73.59	64.25
Operating cash flow before working capital changes	2,978.80	2,484.48
Changes in		
- Trade receivables	(593.17)	(285.98)
- Current and non-current loans	(30.14)	(73.87)
- Current and non-current financial assets	26.35	18.55
- Other current and non-current assets	60.75	(321.20)
- Inventories	370.34	(70.57)
- Trade payables	22.19	(122.60)
- Current and non-current liabilities	114.64	37.12
- Current and non-current financial liabilities	10.99	306.27
- Current and non-current provisions	17.32	(0.19)
Cash generated from operations	2,978.07	1,972.01
Income taxes paid (net)	(359.11)	(188.16)
Cash generated from operations (A)	2,618.96	1,783.85

Cash flows from investing activities		
Purchase of property, plant and equipment	(2,149.12)	(2,035.54)
Proceeds from sale of property, plant and equipment	-	(1.07)
Withdrawal of fixed deposits, net	127.59	1,554.67
Investment in joint venture	(12.77)	(4.91)
Interest received	137.56	197.05
Net cash used in investing activities (B)	(1,896.74)	(289.80)
Cash flows from financing activities		
Proceeds from long-term and short-term borrowings	8,425.35	4,199.36
Repayment of long-term and short-term borrowings	(7,203.41)	(5,778.02)
Interest paid	(705.58)	(556.94)
(Investment in)/ redemption of deposit placed as security for loans availed, net	(73.07)	127.68
Net cash generated from/(used in) financing activities (C)	443.29	(2,007.92)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,165.51	(513.87)
Cash and cash equivalents at the beginning of the year	1,839.66	2,353.53
Cash and cash equivalents at the end of the year	3,005.17	1,839.66

Rs in million

	As at 31 March 2018	As at 31 March 2017
Components of cash and cash equivalents (refer note 13, 18-B and 19-B)		
Balances with banks:		
- in current accounts	335.70	485.19
- in escrow accounts	9.64	19.05
- in fixed deposit accounts (original maturity less than 3 months)	3,450.00	1,600.77
Cash on hand	51.62	54.50
Book overdraft	(50.59)	(17.85)
Bank overdraft	(791.20)	(302.00)
Cash and cash equivalents at the end of the year	3,005.17	1,839.66

The notes referred to above form an integral part of these consolidated financial statements

As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022
Supreet Sachdev
Partner
Membership number: 205385

for and on behalf of the Board of Directors of
Coffee Day Global Limited

V. G. Siddhartha	Malavika Hegde
Managing Director	Director
DIN: 00063987	DIN: 00136524

Place: Bangalore

Date: 17 May 2018

Sd/-	Sd/-
Jayraj C Hubli	Sadananda Poojary
CFO/ Director	Company Secretary
DIN: 00073670	
Place: Bangalore	Place: Bangalore
Date: 17 May 2018	Date: 17 May 2018

COFFEE DAY GLOBAL LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2018

1. COMPANY BACKGROUND

Coffee Day Global Limited ('CDGL' or 'the Company') was originally incorporated as "Amalgamated Bean Coffee Trading Company Private Limited" on 6 December 1993 under the Companies Act, 1956. On 3 February 1997, the status of the Company was changed to a public company and the Company deleted the word "Private" from its name. Subsequently, the Company has changed its name to Coffee Day Global Limited with effect from 20 March 2015.

The registered office of the Company is located in Chikmagalur, Karnataka. The Company is a subsidiary of Coffee Day Enterprises Limited (the 'ultimate holding company').

Coffee Day Global Limited together with its subsidiary companies and a joint venture company is hereinafter referred to as "the Group".

The Group is engaged in the business of retailing of coffee and other products mainly through its chain of outlets under the Cafe and Xpress kiosks formats, under the brand name 'Coffee Day'. The Group also derives its revenue from retail operations from the sale of coffee beans and other related products and services in respect of coffee vending machines. It is also is engaged in coffee business which ranges from procuring, processing and roasting of coffee beans to retailing coffee to domestic and overseas customers.

The Group's consolidated financial statements are approved for issue by the Company's Board of Directors on 17 May 2018.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

A. Statement of Compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act 2013, (the 'Act') and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Details of the Group's accounting policies are included in note 3.

B. Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated Ind AS financial statements are presented in Indian rupee (INR), which is Coffee Day Global Limited's functional and presentation currency. All financial information presented in Indian rupee has been rounded to the nearest million unless otherwise indicated.

C. Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

Items	Measurement basis
Certain financial assets and liabilities (refer accounting policy regarding financial instrument)	Fair value
Derivative financial instrument	Fair value
Share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability less present value of defined obligations	Fair value of plan assets less present value of defined benefit plan

D. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

"A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle."

E. Use of estimates and judgements

"The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected."

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- note 16 (b), 18 (vii), (viii) and (ix): Classification of an item as equity or liability;
- note 3(l): lease classification and straight lining of lease rentals."

Assumptions and estimation uncertainties

Information about judgements, assumptions and estimations uncertainties in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- note 4: depreciation method and useful life of items of property, plant and equipment;
- note 6: impairment of goodwill;
- note 7: impairment of investments;
- note 33: provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources;
- note 42: measurement of defined benefit obligation - key actuarial assumptions."

F. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Group has an established control framework with respect to the measurement of fair values. The Group engages with external valuers for measurement of fair values in the absence of quoted prices in active markets. Significant valuation issues are reported to the Group's audit committee. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability,

the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Financial instruments (note 43)
- Disclosures for valuation methods, significant estimates and assumptions (note 43)
- Quantitative disclosures of fair value measurment hierarchy (note 43)
- Financial instruments (including those carried at amortized cost) (note 43)

G. Basis of Consolidation

Business combinations

Business combinations (other than common control business combinations) on or after 1 April 2015:

As part of its transition to Ind AS, the Group has elected to apply Ind AS 103, Business Combinations, to only those business combinations that occurred on or after 1 April 2015. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Holding Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment (see note 5). The gain on business combination is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the consolidated statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit and loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in statement of profit and loss or other comprehensive income (OCI), as appropriate.

Business combinations prior to 1 April 2015:

In respect of such business combinations, goodwill represents the amount recognised under the Group's previous accounting framework under Indian GAAP adjusted for the reclassification of certain intangibles."

Subsidiary companies

Subsidiary companies are all entities (including structured 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 to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, incomes and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively

Joint Venture Company

Interests in joint venture company are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associate and joint venture companies are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the

Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity
Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.
Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.
The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 3 (h) below.

Change in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity
When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES

A. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, inclusive of excise duty and net of taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.
Sales tax/ value added tax (VAT) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue
The specific recognition criteria described below must also be met before revenue is recognised

Sale of products

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. The timing of transfers of risks and rewards varies depending on the individual terms of sale.

Sale of goods – customer loyalty programme (deferred revenue)

For customer loyalty programmes, the fair value of the consideration received or receivable in respect of the initial sale is allocated between the award credits and the other components of the sale. The amount allocated to award credits is deferred and is recognised as revenue when the award credits are redeemed and the Group has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the award credits will be redeemed.

Sale of services

Service revenues are recognized as the services are performed. Services provided pursuant to a contract are either recognized over the contract period or upon completion of the elements specified in the contract depending on the terms of the contract. Operating revenues from the distribution and maintenance of vending machines are recognized when the services are rendered. Revenues include unbilled as well as billed amounts.

Sale of import entitlement

Import entitlements, which are primarily provided for shipping a specified cumulative volume or shipping to/ from specific locations, are recorded on accrual basis based on actual export revenue for the year and pro-rated based on actual or projected realization of the entitlement. When using realization, we rely on historic trends as well as economic and other indicators to estimate the recorded revenue for import entitlements.

Franchisee revenue

Revenue from franchisee arrangement consists of sale of coffee products and other related products as well as royalties paid by franchisees to use the 'Coffee Day' brand. Sales of coffee products and other related products are recognized on transfer of all significant risks and rewards of ownership to franchisee. Royalty revenues are recognized based upon a percentage of reported

revenues by the franchisee in accordance with the terms of the relevant arrangement unless significant future contingencies exist.

Advertisment Income

Income from advertising is recognised ratably over the period of the contract and in accordance with the terms and conditions of the contract.

Commodity trading

Gain/ loss from commodity future transactions is settled on a net basis and recognized on accrual basis in the statement of profit and loss.

Other income

"Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably."

B Property, Plant and Equipment

1. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised

2. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

3. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. The building built on leasehold land is classified as building and is amortized over the lease term or the useful life of the building, whichever is lower.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful lives	Useful life as per Schedule II
Building	30 – 60 years	30 – 60 years
Leasehold improvements	Lease term or estimated useful life of 9 years, whichever is lower	Lease term or estimated useful life, whichever is lower
Plant and machinery	12 years	15 years
Office equipment	5 years	5 years
Furniture and fixtures	8 - 10 years	10 years
Computers	3 years	3 years
Vehicles	8 years	8 years
Coffee vending machines	7 - 9 years	15 years
Leasehold land	Lease term	Lease term

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the Management believes that its estimates of useful lives as given above best represent the period over which Management expects to use these assets.
Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of)."

4. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.
Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.
The useful lives of intangible assets are assessed as either finite or indefinite.
Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.
Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.
The Group only has software as an intangible asset having a useful life of 3 years
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

C. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.
Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.
The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.
Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

D. Employee Benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.
The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.
Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other

expenses related to defined benefit plans are recognised in profit or loss.
When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefit

erm employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

E. Foreign Currency Transactions

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
Exchange differences are recognised in the consolidated statement of profit and loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective
- qualifying cash flow hedges to the extent that the hedges are effective;

As per Ind AS 101, the Group has chosen to avail the exemption of capitalising the exchange difference arising from foreign currency loan taken on or before 31 March 2016 and not recognised in the consolidated statement of profit and loss."

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions.
The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.
Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2015 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.
Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (1 April 2014), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

F. Income taxes

Income tax comprises current and deferred tax. It is recognised in the consolidated statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the

taxation authorities. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum alternate tax ('MAT') paid in a year is charged to the consolidated statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement'. The Group reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill."

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

G. Provisions and Contingent Liabilities

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract."

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

H. Impairment

(i) Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortized cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a

detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for one year or more;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties."

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

"When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due."

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is one year or more past due.

Measurement of expected credit losses:

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet:

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at fair value through OCI (FVOCI), the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets:

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of

a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.
An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.
An impairment loss in respect of goodwill is not subsequently reversed. In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

I. Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to owner's of the Group for the year by the weighted average number of equity shares outstanding during reporting period.
Diluted earnings per share amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

J. Cash and Cash Equivalents

Cash and cash equivalents in the consolidated balance sheet comprises of cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

K. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated.
For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

L. Leases

As a lessee

Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance lease. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets. Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's consolidated balance sheet.

Lease payments

Payments made under operating leases are generally recognised in the consolidated statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.
Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised as income in the consolidated 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. The respective leased assets are included in the balance sheet based on their nature.

M. Government Grants

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.
Since the grant compensates the Group for expenses

incurred, it is recognised in the consolidated statement of profit and loss as a reduction from the respective expenses on a systematic basis in the periods in which such expenses are recognised.

N. Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

O. Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

P. Financial Instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets: Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair value through other comprehensive income (FVOCI) – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

ii. Classification and subsequent measurement

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at an individual asset level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity."

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features)."

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, refer note 3(p)(v) for derivatives designated as hedging instruments.
Financial assetsat amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial assets: Subsequent measurement and gains and losses

The Group does not have financial assets measured at FVTPL or FVOCI.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. See note 43 for financial liabilities designated as hedging instruments.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously."

v. Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss. The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss. The amount accumulated in other equity is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

vi. Compound financial instruments

Compound financial instruments are those instruments which contains both a financial liability component and an equity component. The option to convert the financial instrument into equity shares of the Group would be with the holder of the instrument.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components

in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently. Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

Q. Recent Accounting Pronouncements

Notification of 'Ind AS 115 - revenue from contracts with customers

Ind AS 115, establishes a comprehensive framework for determining whether, how much and when revenue should be recognised. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and Guidance Note on Accounting for Real Estate Transactions. Ind AS 115 is effective for annual periods beginning on or after 1 April 2018 and will be applied accordingly. The Group has completed an initial assessment of the potential impact of the adoption of Ind AS 115 on accounting policies followed in its consolidated financial statements. The quantitative impact of adoption of Ind AS 115 on the consolidated financial statements in the period of initial application is not reasonably estimable as at present. The Group plans to apply Ind AS 115 using the cumulative effect method , with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 April 2018) in retained earnings. As a result, the Group will not present relevant individual line items appearing under comparative period presentation.

Amendment to Ind AS 21 the effects of changes in foreign exchange rates

On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21.

Appendix B to Ind AS 21 applies when:

a. Pays or receives consideration denominated or priced in a foreign currency and

b. Recognises a non-monetary prepayment asset or deferred income liability – e.g. non-refundable advance consideration before recognising the related item at a later date.

Date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

If there are multiple payments or receipts in advance, the entity should determine a date of the transaction for each payment or receipt of advance consideration.

The amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the financial statements and the impact is not material."

Amendment to Ind AS 12 income tax

Decreases below cost in the carrying amount of a fixed-rate debt instrument measured at fair value for which the tax base remains at cost give rise to a deductible temporary difference. This applies irrespective of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use, i.e. continuing to hold it, or whether it is probable that the issuer will pay all the contractual cash flows.

The amendment explains that determining temporary differences and estimating probable future taxable profit against which deductible temporary differences are assessed for utilization are two separate steps.

Carrying amount of an asset is relevant only to determining temporary differences. It does not limit the estimation of probable future taxable profit.

The amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the financial statements and the impact is not material.

4 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Rs in million

Particulars	Owned									Leased		Capital work-in-progress (refer note ii) (B)	" Total (A + B) "
	Freehold land	Buildings (refer note i)	Leasehold improvements	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	Coffee vending machine	"Leasehold land (refer note iii)"	" Total (A) "		
Cost or deemed cost:													
Balance as at 1 April 2016	216.44	1,586.53	2,877.00	2,008.06	30.84	820.70	34.16	4.49	2,780.20	968.09	11,326.51	368.74	11,695.25
Additions	0.99	0.49	339.16	187.66	0.89	263.24	3.37	-	973.26	-	1,769.06	1,558.27	3,327.33
Exchange differences on translation of foreign operations (refer note iv)	-	-	(3.16)	(6.01)	(0.96)	(3.10)	(0.25)	-	-	-	(13.48)	-	(13.48)
Disposals/ capitalisation	-	-	(29.60)	-	-	(12.82)	-	-	-	-	(42.42)	(1,391.86)	(1,434.28)
Balance as at 31 March 2017	217.43	1,587.02	3,183.40	2,189.71	30.77	1,068.02	37.28	4.49	3,753.46	968.09	13,039.67	535.15	13,574.82
Balance as at 1 April 2017	217.43	1,587.02	3,183.40	2,189.71	30.77	1,068.02	37.28	4.49	3,753.46	968.09	13,039.67	535.15	13,574.82
Additions	0.43	0.48	353.46	186.40	0.70	211.83	13.83	-	1,018.91	-	1,786.04	2,042.81	3,828.85
Exchange differences on translation of foreign operations (refer note iv)	-	-	11.15	11.18	1.93	8.22	0.74	-	-	-	33.22	-	33.22
Disposals/ capitalisation	-	-	-	-	-	(11.12)	-	-	-	-	(11.12)	(1,796.01)	(1,807.13)
Balance as at 31 March 2018	217.86	1,587.50	3,548.01	2,387.29	33.40	1,276.95	51.85	4.49	4,772.37	968.09	14,847.81	781.95	15,629.76
Accumulated depreciation:													
Balance as at 1 April 2016	-	112.09	657.85	614.01	27.10	236.81	31.64	2.13	390.89	-	2,072.52	-	2,072.52
Depreciation for the year	-	81.87	585.71	333.93	2.50	164.11	1.91	0.48	460.13	-	1,630.64	-	1,630.64

Rs in million

Particulars	Owned									Leased	" Total (A) "	Capital work-in-progress (refer note ii) (B)	" Total (A + B) "
	Freehold land	Buildings (refer note i)	Leasehold improvements	Plant and equipment	Office equipment	Furniture and fixtures	Computers	Vehicles	Coffee vending machine	"Leasehold land (refer note iii)"			
Exchange differences on translation of foreign operations (refer note iv)	-	-	(4.18)	(3.66)	(0.85)	(2.26)	(0.23)	-	-	-	(11.18)	-	(11.18)
Disposals	-	-	(26.59)	-	-	(13.89)	-	-	-	-	(40.48)	-	(40.48)
Balance as at 31 March 2017	-	193.96	1,212.79	944.28	28.75	384.77	33.32	2.61	851.02	-	3,651.50	-	3,651.50
Balance as at 1 April 2017	-	193.96	1,212.79	944.28	28.75	384.77	33.32	2.61	851.02	-	3,651.50	-	3,651.50
Depreciation for the year	-	82.19	549.62	294.77	0.89	185.75	3.23	0.45	586.17	-	1,703.07	-	1,703.07
Exchange differences on translation of foreign operations (refer note iv)	-	-	10.26	6.15	2.10	(6.28)	0.81	-	-	-	13.04	-	13.04
Disposals	-	-	-	-	-	(11.12)	-	-	-	-	(11.12)	-	(11.12)
Balance as at 31 March 2018	-	276.15	1,772.67	1,245.20	31.74	553.12	37.36	3.06	1,437.19	-	5,356.49	-	5,356.49
Carrying amount:													
As at 31 March 2017	217.43	1,393.06	1,970.61	1,245.43	2.02	683.25	3.96	1.88	2,902.44	968.09	9,388.17	535.15	9,923.32
As at 31 March 2018	217.86	1,311.35	1,775.34	1,142.09	1.66	723.83	14.49	1.43	3,335.18	968.09	9,491.32	781.95	10,273.27

Notes:

i) Includes building constructed on leasehold land

ii) Capital work in progress

Capital work in progress mainly comprises of upcoming cafes and roasting unit under construction.

iii) Finance leases

The carrying value of land held under finance leases as at 31 March 2018 was Rs 968.09 million (31 March 2017: Rs 968.09 million). The Company has taken land admeasuring 10.05 acres in Chickamangalur on lease for a period of 99 years on 1 April 1995. The Company has classified the lease as as a finance lease since it has an option to purchase the land at the end of the lease period.

iv) Represents the effect of translation of assets held by foreign subsidiary companies.

v) Security

Property, plant and equipment amounting to Rs. 7,443.90 million as at 31 March 2018 (31 March 2017: Rs 7,135.73 million) has been pledged as security by the Group against loans taken from banks and financial institutions.

vi) Significant estimates

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect

of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life, if any. The useful lives and residual values of group's assets are determined by Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

5 GOODWILL

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Carrying amount at the beginning of the year	159.40	175.59
Exchange differences on translation of foreign operations	26.25	(9.12)
Provision for impairment of goodwill	-	(7.07)
Carrying amount at the end of the year	185.65	159.40

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments. The aggregate carrying amounts of goodwill allocated to each unit are as follows :-

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Retail operation:		
- Café retail	175.26	149.01
- Coffee curing	10.39	10.39
- Coffee testing	-	7.07
Less: impairment of goodwill in coffee testing	-	(7.07)
	185.65	159.40

Café retail:

The recoverable amount of this CGU is based on value in use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.
The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Particulars	"As at 31 March 2018"
Terminal value growth rate of revenue	2.00%
Terminal EBITDA as a % of revenue	24.90%
Discount rate	20.30%

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determining values
Terminal value growth rate of revenue	This is the weighted average growth rate used to extrapolate revenue beyond the budget period. The rates are consistent with forecasts included in industry reports.
Pre-tax discount rate	Reflect specific risks relating to the relevant segments and the countries in which they operate.

Terminal EBITDA as a % of revenue	Operating EBITDA has been estimated based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth.

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Coffee testing:

During the previous year ended 31 March 2017, the Group had made a downward revision in the future profitability projection for the Coffee testing division primarily due to a lowering of previous expectations. The Group assessed the aforementioned events and circumstances and determined that it was more likely than not that the fair value of the Coffee testing unit was less than its carrying value. Accordingly, the Group conducted the goodwill impairment tests using this new profitability projection and recalculated the implied fair value of the goodwill of the reporting unit. As a result of this recalculation, the carrying value of the goodwill was determined to be zero. Consequently, the entire amount of the goodwill related to Coffee testing, Rs. 7.70 million, was impaired during the previous year. The impairment loss is included in other operating expense in the consolidated statements of profit and loss.

6. INTANGIBLE ASSETS

Rs in million

	Software, owned
Cost or deemed cost:	
Balance as at 1 April 2016	9.56
Additions	81.00
Disposals	-
Balance as at 31 March 2017	90.56
Balance as at 1 April 2017	90.56
Additions	59.31
Balance as at 31 March 2018	149.87
Accumulated amortization:	
Balance as at 1 April 2016	3.30
Amortization for the year	2.01
Balance as at 31 March 2017	5.31
Balance as at 1 April 2017	5.31
Amortization for the year	39.66
Balance as at 31 March 2018	44.97
Carrying amount:	
As at 31 March 2017	85.25
As at 31 March 2018	104.90

7. NON-CURRENT INVESTMENTS

Rs in million

Particulars	"As at 31 March 2018"	"As at 31 March 2017"
Unquoted equity shares		
Investment in Equity instruments:		
(i) Investment in Joint venture company measured under equity method (fully paid):		
0.69 million (31 March 2017: 0.69 million) equity shares of Coffee Day Schaerer Technologies Private Limited of Rs 10 each	-	1.72
(ii) Other investments, at cost		
Share application money pending allotment in ONS Ventures SDN. BHD*	12.77	-
	12.77	1.72
Aggregate value of unquoted investments	12.77	1.72
Aggregate value of quoted investments and value thereof	-	-
Aggregate amount of impairment in value of investments	-	-

Information about the Group's exposure to credit and market risks, and fair value measurement, is included in note 43.
*'During the year , the Company vide its Board meeting dated 10 August 2017 approved the acquisition of ONS Ventures SDN. BHD, an entity which operates in the retail trading industry in Malaysia. The Company is under process to obtain the necessary regulatory approvals for the acquisition.

8 LOANS

A. Non-current Loans

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Unsecured, considered good		
Security deposit	860.70	780.54
	860.70	780.54

B. Current loans

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Unsecured, considered good		
Security deposit	5.77	11.18
Staff advances	20.93	39.00
	26.70	50.18

9 OTHER FINANCIAL ASSETS

A. Other non-current financial assets

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Others		
Fixed deposit accounts with banks*	-	75.50
Margin money deposits with banks	9.00	2.13
	9.00	77.63

*includes Rs Nil (31 March 2017: Rs 75.50 million) given as security for loan availed by the Group. These fixed deposits cannot be withdrawn by the Group within 12 months of balance sheet date.

B. Other Current Financial Assets

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Derivatives instruments at fair value through OCI		
Cash flow hedges		
- Interest rate swaps	-	6.55
Other benefit receivable	44.06	31.07
Other advances	43.65	82.99
Interest accrued but not due	1.04	12.98
	88.75	133.59

10. OTHER ASSETS

A. Other non-current assets

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Capital advances	564.45	438.84
Advances other than capital advances:		
- deposit with government authorities	0.80	10.37
- taxes paid under protest	77.99	69.18
- supplier advance	16.04	28.23
- deferred rent expense	186.17	206.89
- others	-	0.61
	845.45	754.12

B. Other current assets

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Supplier advance	590.28	697.30
Balances with government authorities	66.41	30.24
Deferred rent expense	51.53	56.80
Prepaid expenses	9.23	16.81
Others	4.08	0.51
	721.53	801.66

11. INVENTORIES

Rs in million

Particulars	As at 31 March 2018"	"As at 31 March 2017"
Stock of raw coffee and packing material	93.30	438.73
Stock of perishables, consumables and merchandise	536.67	504.79
Finished goods of clean and roasted coffee	139.09	164.32
Work-in-progress	47.40	78.96
	816.46	1,186.80

Carrying amount of inventories (included in above) pledged as securities for borrowings (refer note 18)

12. TRADE RECEIVABLES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Trade receivables		
Unsecured, considered good	2,139.00	1,545.83
Doubtful	40.00	40.00
	2,179.00	1,585.83
Loss allowance		
Unsecured, considered good	-	-
Doubtful	(40.00)	(40.00)
	2,139.00	1,545.83

All trade receivables are 'current'.

Of the above, trade receivables from related parties are as below:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Total trade receivables from related parties	9.11	5.62
Loss allowance	-	-
Net trade receivables	9.11	5.62

The Group's exposure to credit and currency risks, and loss allowances related to trade receivables is disclosed in note 43.

13. CASH AND CASH EQUIVALENTS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Balances with banks		
- in current accounts	335.70	485.19
- in escrow accounts	9.64	19.05
- in fixed deposit accounts (original maturity less than 3 months)	3,450.00	1,600.77
Cash on hand	51.62	54.50
Cash and cash equivalents in the Balance sheet	3,846.96	2,159.51
Book overdraft used for cash management purposes (Refer note 19)	(50.59)	(17.85)
Bank overdraft used for cash management purposes (Refer note 18)	(791.20)	(302.00)
Cash and cash equivalents in the Cash flow statement	3,005.17	1,839.66

14. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Balances with banks		
- in fixed deposit accounts with banks*	-	52.09
-in margin money deposits with banks	74.12	7.92
	74.12	60.01

*includes Rs Nil (31 March 2017: Rs 49.31 million) given as security for loan and overdraft facility availed by the Company and having a maturity of less than 12 months from the balance sheet date.

15. SHARE CAPITAL

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Authorised		
2,354,860,635 (31 March 2017: 2,354,860,635) equity shares of Re 1 each	2,354.86	2,354.86
	2,354.86	2,354.86
Issued, subscribed and fully paid up		
171,137,567 (31 March 2017: 169,906,657) equity shares of Re 1 each	171.14	169.91
	171.14	169.91

A. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below:

Rs in million
(except share data)

	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount	No of shares	Amount
Number of shares at the beginning of the year	169,906,657	169.91	168,675,747	168.68

Add: Shares issued against convertible debentures	1,230,910	1.23	1,230,910	1.23
Number of shares outstanding at the end of the year	171,137,567	171.14	169,906,657	169.91

B. The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

The Group has one class of equity shares having a par value of Re 1 per share. 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 Group after distribution of all preferential amounts if any, in proportion to their shareholding.

C. Equity shareholders holding more than 5% of equity shares along with the number of equity shares held at the beginning and at the end of the year is as given below:

Name of the shareholder	As at 31 March 2018		As at 31 March 2017	
	% of holding	No of shares	% of holding	No of shares
Coffee Day Enterprises Limited, holding company	89.62%	153,371,342	86.63	147,192,442
V.G Siddhartha	5.57%	9,539,371	4.89%	8,308,461

D. The Group has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

E. Particulars of each class of shares held by holding, ultimate holding, subsidiaries or associates of the holding company or the ultimate holding company:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Coffee Day Enterprises Limited, holding company	153.38	147.19

F. Shares reserved for issue under options and contracts/ commitments for sale of shares:

Rs in million

Particulars	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount	No of shares	Amount
For compulsorily convertible debentures of Rs 100 each*	19,755,822	19.76	19,755,822	19.76

* Refer note 16(b)

16 COMPULSORILY CONVERTIBLE DEBENTURES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
41,000,000 (31 March 2017: 41,000,000) compulsorily convertible debentures of Rs 100 each fully paid up	4,100.00	4,100.00
	4,100.00	4,100.00

A. Reconciliation of the number of compulsorily convertible debentures outstanding at the beginning and at the end of the reporting year:

Rs in million
(except share data)

Particulars	As at 31 March 2018		As at 31 March 2017	
	No of debentures	Amount	No of debentures	Amount
Number of compulsorily convertible debentures outstanding at the beginning and end of the year	41,000,000	4,100.00	41,000,000	4,100.00

B. The rights, preferences and restrictions attaching to compulsorily convertible debentures issued to Coffee Day Enterprises Limited, holding company including restrictions if any:

The Group has one class of compulsorily convertible debentures of Rs 100 per debenture. These debentures are unsecured and carry interest rate of 0.01% p.a. payable annually. The debentures shall be compulsorily converted into 19,755,822 equity shares having a par value of Re 1 each after 4 years 9 months of issue date.

C. Particulars of convertible debentures held by holding , ultimate holding, subsidiaries or associates of the holding company or the ultimate holding company:

Particulars	As at 31 March 2018	As at 31 March 2017
Coffee Day Enterprises Limited, holding company	4,100.00	4,100.00

D. Debenture holders holding more than 5% of convertible debentures along with the number of debentures held at the beginning and at the end of the year is as given below:

Name of the debenture holder	As at 31 March 2018		As at 31 March 2017	
	% of holding	No of debentures	% of holding	No of debentures
Coffee Day Enterprises Limited, holding company	100%	41,000,000	100%	41,000,000

17. OTHER EQUITY

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Capital reserve		
At the commencement of the year	(0.35)	0.04
Add: Movement during the year	-	(0.39)
At the end of the year	(0.35)	(0.35)

Shares options outstanding account		
At the commencement of the year	64.04	51.33
Add: Additions during the year on account of share-based payments	-	12.71
Less: Transferred to general reserve	(64.04)	-
At the end of the year	-	64.04
Securities premium		
At the commencement of the year	7,637.04	7,468.59
Add: Additions during the year on conversion of preference shares and compulsorily convertible debentures to equity shares	168.53	168.45
At the end of the year	7,805.57	7,637.04

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Debenture redemption reserve		
At the commencement of the year	-	125.10
Less: Transferred to retained earnings	-	(125.10)
At the end of the year	-	-
General reserve		
At the commencement of the year	106.50	106.50
Add: Transfer from Share options outstanding account	64.04	-
At the end of the year	170.54	106.50
Retained earnings		
At the commencement of the year	702.23	318.21
Add: Net profit for the year	369.73	263.63
Add: Transfer from debenture redemption reserve	-	125.10
Add: Remeasurements of defined benefit plan actuarial gains/ (losses)	3.91	(0.96)
Less: Dividends	-	(3.75)
At the end of the year	1,075.87	702.23
Other comprehensive income:		
Foreign currency translation reserve		
At the commencement of the year	27.41	17.73
Add/ (less): Exchange difference arising on translating the foreign operations, net of tax	(1.28)	9.68
At the end of the year	26.13	27.41
Effective portion of cash flow hedge		
At the commencement of the year	(0.26)	(5.04)
Add: Movement during the year	0.26	4.78
At the end of the year	-	(0.26)
	9,077.76	**8,536.61**

Nature and purpose of other reserves:

Capital reserve:

Capital reserve of a corporate enterprise is not available for distribution as dividend.

Share options outstanding account:

The share options outstanding account is used to recognise the grant date fair value of options issued to employees

under stock option plan.

Securities premium reserve:

Securities premium reserve is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of Section 52(2) of Companies Act, 2013.

General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit and loss.

Foreign currency translation reserve:

The translation reserve comprise all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as the effective portion of any foreign currency differences arising from hedges of a net investment in a foreign operation.

Cash flow hedges reserve

The effective portion of cash flow hedge represents the cumulative effective portion of gains or losses arising on changes

in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedges reserve will be reclassified to profit and loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Group is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit after tax is transferred from the consolidated statement of profit and loss to the retained earnings account.

18. BORROWINGS

A. Non-current borrowings

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Secured:		
Term loans		
- from banks		
- Rabobank International [refer note 18 (i)]	613.60	900.20
- from other parties		
- Deutsche Investitions-Und Entwicklungsgesellschaft MBH ('DEG') [refer note 18 (iv)]	1,416.04	-
Unsecured:		
2,546,358 (31 March 2017: 4,243,930) Compulsorily convertible debentures issued to FMO [refer note 18 (v)]	84.88	290.46
	2,114.52	1,190.66

B. Current borrowings

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Secured:		
Loan repayable on demand		
From banks		
Bank overdraft		

- Karnataka Bank Limited [refer note 18 (viii)]	-	0.83
- Oriental Bank of Commerce [refer note 18 (ix)]	-	3.34
- HSBC [refer note 18 (x)]	100.00	100.00
- Vijaya Bank [refer note 18 (xi)]	-	49.88
- Yes Bank [refer note 18 (xiv)]	7.77	5.16
- Kotak Mahindra Bank Ltd [refer note 18 (xii)]	142.98	142.79
- Rathnakar Bank Limited [refer note 18 (xiii)]	540.45	-
Packing credit loan from banks		
- Karnataka Bank Limited [refer note 18 (viii)]	341.43	165.93
- Oriental Bank of Commerce [refer note 18 (ix)]	-	207.10

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Bill discounting facility from banks		
- Karnataka Bank Limited [refer note 18 (viii)]	370.41	210.88
- Oriental Bank of Commerce [refer note 18 (ix)]	363.64	123.69
	1,866.68	1,009.60

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 43.

(i) From Rabobank International, Hong Kong - amounting to: Rs 916.32 million (31 March 2017: Rs 1,163.16 million) - including current maturities of non-current borrowings

Secured by

- ☐ Personal guarantee of the V. G. Siddhartha;
- ☐ Charge on specific movable assets of the Company; and
- ☐ First ranking equitable mortgages on the following immovable properties–
  - ► Land and building located in Hassan, owned by the Company; and Land located in Palace Road, Bangalore owned by the Company with a carrying amount of Rs 79.00 million as at 31 March 2018 (31 March 2017: 79.00 million).
- ☐ Second ranking equitable mortgage on the land and buildings of the Corporate Headquarters of the Company located at Vittal Mallya Road, Bangalore with a carrying amount of Rs 1,239.26 million as at 31 March 2018 (31 March 2017: 1,314.12 million)

  Loan from Rabobank International, Hong Kong carries a floating interest rate of LIBOR plus 3.5% margin p.a and is repayable in 8 biannual installments commencing from February 2017.

(ii) From Standard Chartered Bank - amounting to: Nil (31 March 2017: Rs 191.06 million)

Secured by

- ☐ Charge on all movable assets of the Company;
- ☐ Charge over all cash deposits with landlords for cafes and future cafes starting with Standard Chartered Bank facility;
- ☐ First exclusive charge and irrecoverable rights of lien and set-off on the property, plant and equipment with Standard Chartered Bank with a carrying value of Rs Nil (31 March 2017: Nil).

  The loan carries a floating interest rate of 3 months LIBOR plus 2.75% margin p.a. which is repayable in 17 equal quarterly installments with effect from August 2013. The loan is denominated in foreign currency. The Company has entered into an interest rate swap to pay fixed rate of interest of 4.46% (31 March 2017: 4.46%) and receive floating LIBOR rate. The Company had repaid the loan during the year.

(iii) Vehicles loan - amounting to: Rs 0.03 million (31 March 2017: Rs 0.36 million) - including current maturities of non-current borrowings

Secured by hypothecation of vehicles.

This loan carries an interest rate within a range of 11.10% p.a. to 11.75% p.a. The principal amount has to be repaid in equal installments over the period of loan in respect of each vehicle.

(iv) From Deutsche Investitions-Und Entwicklungsgesellschaft MBH ('DEG') - amounting to: Rs. 1,416.44 million (31 March 2017: Nil)

Secured by

Personal guarantee of the V. G. Siddhartha;

- ☐ First ranking mortgage on the following immovable properties–

- Land located in Hassan, owned by the Company;
- Land located in Palace Road, Bangalore owned by the Company; and
- Charge on all movable assets of the Company.

Loan from DEG carries a floating interest rate of 6 months EURIBOR plus 2.97% margin p.a and is repayable in 12 biannual installments with effect from November 2019.

(v) Compulsorily convertible debentures issued to FMO - amounting to: Rs 276.62 million (31 March 2017: Rs 460.22 million) - including current maturities of non-current borrowings

These debentures carry interest rate of 14.5% p.a. payable bi-annually.

The debentures shall be converted into equity shares on earlier of the following dates:

- Mandatory conversion date i.e. date falling 10 years after the issue of debentures (i.e., 30 March 2010);
- Optional conversion date i.e. dates falling 66 months, 72 months, 78 months, 84 months, 90 months, 96 months, 102 months and 108 months from the closing date (i.e. 30 March 2010);
- In the event of IPO, the latest permissible date up to which the debentures can remain outstanding under local laws; and
  - At the investors option upon the occurrence of an event of default.

The number of equity shares arising upon conversion will result in 2.85% of total issued and paid up equity share capital of the Company on a fully diluted basis on the date of issue of debentures.

During the year, the holders sold 1,697,572 (31 March 2017: 1,697,572) Compulsorily Convertible Debentures (CCDs) to the promoter V.G. Siddhartha, subsequent to which the CCDs were converted to 1,230,910 (31 March 2017: 1,230,910) equity shares of Re 1 each as per the original terms of agreement.

(vi) Compulsorily convertible debentures in descending order of conversion/ redemption:

Particulars	Convertible into	Conversion/ maturity	Earliest date of conversion/ redemption
Compulsorily convertible debentures issued to FMO	Equity shares	Conversion	Refer 18 (v)

Reconciliation of movements of liabilities to cash flows arising from financing activities

Rs in million

Particulars			Liabilities
Balance at 1 April 2017			2,549.88
Changes from financing cash flows			
Proceeds from loans and borrowings			8,425.35
Repayment of borrowings			(7,203.41)
Interest expense			650.53
Interest paid			(737.86)
Balance at 31 March 2018			3,684.49

(vii) The aggregate amount of long-term borrowings including current maturities secured by personal guarantee of Managing Director and relatives of Managing Director amounts to Rs 2,600.00 million as at 31 March 2018 (31 March 2017: 1,170.00 million).

(viii) From Karnataka Bank Limited (includes bank overdraft, bills discounting and packing credit loan account) –

Secured by

- ☐ Hypothecation of stocks of coffee beans located at Chikmagalur and advance paid to planters;
- ☐ Hypothecation of goods covered under export bills;
- ☐ Further, the loan is collaterally secured by -
  - Deposit of title deeds of a property belonging to a relative of Promoter;
  - Personal guarantee of Promoter and relatives of Promoter; and
  - Promissory note provided by the Company and the Promoter.

(ix) From Oriental Bank of Commerce (includes bank overdraft, bills discounting and packing credit loan account) –

Secured by

- ☐ Foreign documentary demand/ usance bill having maximum usance of 270 days accompanied by Airways

bills/ Bill of Lading and drawn under irrevocable letter of credit/ confirmed orders only towards bills purchased;
- ☐ Hypothecation of stock of coffee at Hassan earmarked for export and advance paid to planters;
- ☐ Equitable/ Registered mortgage of non agricultural industrial land in the name of Classic Coffee Curing Works at Chikmagalur; and
- ☐ Personal guarantee of the Managing Director and relatives of the Managing Director.

(x) From HSBC (bank overdraft)

Secured by
- ☐ Exclusive charge over movable assets, both present and future of the Company's outlets (café's) with asset cover of 1.75x.
- ☐ Personal Guarantee of Managing Director.

(xi) "From Vijaya bank (bank overdraft)

Secured by
- ☐ Hypothecation of stocks and receivables pertaining to vending division.

(xii) From Kotak Mahindra Bank Limited (bank overdraft)

Secured by
- ☐ Exclusive charge over movable fixed assets of 474 xpress kiosk.

(xiii) From Rathnakar Bank Limited

Secured by
- ☐ First pari passu charge on current assets of vending division
- ☐ Personal guarantee of V. G. Siddhartha

(xiv) "From Yes Bank Limited

Secured by
- ☐ Charge on all current assets of vending division (minimum cover of 1x)
- ☐ Personal guarantee of V. G. Siddhartha

(xv) There are no default in the repayment of the principal and interest amounts with respect to these loans as on balance sheet date.

(xvi) The aggregate amount of current borrowings secured by personal guarantee of Managing Director and relatives of Managing Director amounts to Rs 1,860.00 million as at 31 March 2018 (31 March 2017: 1,002.22 million).

19. OTHER FINANCIAL LIABILITIES

A. Other non-current financial liabilities

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Others		
- deposits from customers	419.60	371.80
- other payables	-	0.95
	419.60	372.75

B. Other current financial liabilities

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Current maturities of long-term debt*		
- debentures		
- Compulsorily convertible debentures issued to FMO [refer note 18 (v)]	191.74	188.16
- from banks		
- Rabobank International [refer note 18(i)]`	302.72	270.44
- Standard Chartered Bank [refer note 18(ii)]	-	192.66
- Vehicle loans from banks [refer note 18(iii)]	0.03	0.36
Others		
- accrued salaries and benefits	158.28	132.30
- creditors for expenses	187.70	156.34
- creditors for capital goods	105.57	85.50
- book overdraft	50.59	17.85
- deposits from customers	398.22	387.77
	1,394.85	1,431.38

* The details of interest rate, repayment terms, nature and value of securities furnished and guarantees given are disclosed under note 18.

20 PROVISIONS

A. Non-current provisions

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
- gratuity (refer note 42)	31.86	16.62
	31.86	**16.62**

B. Current provisions

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
- gratuity (refer note 42)	-	6.90
- compensated absence	18.57	15.57
	18.57	**22.47**

(i) Movements in provision:

Rs in million

Particulars	Gratuity	Compensated absences
Balance at 1 April 2017	23.52	15.57
Additional provision recognised	19.55	3.00
Reduction arising from payments	(11.21)	-
Balance at 31 March 2018	**31.86**	**18.57**

21 OTHER LIABILITIES

A. Other non-current liabilities

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Others		
- rent equalisation reserve	82.54	69.17
- financial guarantee obligation	0.03	3.80
	82.57	**72.97**

B. Other current liabilities

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Statutory dues	72.40	115.68
Rent equalisation reserve	7.01	10.83
Others		
- advance payments towards unexpired gift vouchers	12.60	6.13
- advance from customers	320.33	282.73
- subsidy advance (refer note 37)	3.51	2.86
	415.85	**418.23**

22 TRADE PAYABLES

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Trade payables to related parties	3.44	145.66
Other trade payables	304.97	140.56
	308.41	**286.22**

All trade payables are 'current'.
The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 43.

23 CURRENT TAX LIABILITIES, NET

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Opening balance	222.81	148.78
Add: Current tax payable for the year	309.05	274.57
Less: Tax paid during the year	(359.11)	200.54)
Closing balance	172.75	222.81

24. REVENUE FROM OPERATIONS

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products		
- Sale of coffee beans	4,766.46	4,065.26
- Sale of food, beverages and other items	12,996.93	11,775.74
- Sale of merchandise items	629.54	624.16
Service income	974.34	807.80
Other operating revenue		
- Sale of import entitlements	160.15	104.76
- Advertisement income	646.32	300.09
- (Loss)/ Gain from commodity futures	(12.78)	50.08
Less: quality claims	(11.61)	(3.81)
Less: sales tax	(1,371.56)	(1,200.04)
Less: service tax	(154.28)	(464.52)
Less: trade discounts	(853.03)	(704.86)
	17,770.48	15,354.66

25. OTHER INCOME

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income (including fair value change in financial instruments)	186.20	243.01
Rental income	8.55	22.47
Commission income	3.78	6.58
Gain from forex hedging	-	1.05
Others	18.82	10.54
	217.35	283.65

26. COST OF MATERIALS CONSUMED

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening stock of raw coffee, packing materials, perishables, consumables and merchandise	943.52	860.95
Purchase of raw materials and packing materials		
- Purchase of coffee beans	4,313.43	3,512.21
- Purchase of perishables, consumables and packing materials	3,247.58	3,668.86
- Purchase of merchandise items	215.06	99.86
Closing stock of raw coffee, packing materials, perishables, consumables and merchandise	(629.97)	(943.52)
	8,089.62	7,198.36

27. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Rs in million

Particulars		For the year ended 31 March 2018	For the year ended 31 March 2017
(a)	Opening stock		
	Finished goods	164.32	175.37
	Work-in-progress	78.96	79.91
		243.28	255.28
(b)	Closing stock		
	Finished goods	139.09	164.32
	Work-in-progress	47.40	78.96
		186.49	243.28
		56.79	12.00

28. EMPLOYEE BENEFITS EXPENSE

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries and wages	2,152.67	1,837.68
Contribution to provident and other funds	228.94	188.35
Share-based payments to employees	-	12.71
Staff welfare expenses	50.96	43.60
	2,432.57	**2,082.34**

29. FINANCE COSTS

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense	651.62	447.56
Other borrowing costs	31.19	31.39
	682.81	**478.95**

30. DEPRECIATION AND AMORTIZATION EXPENSE

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment (refer note 4)	1,703.07	1,630.64
Amortization of intangible assets (refer note 6)	39.66	2.01
	1,742.73	1,632.65

31. OTHER EXPENSES

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Rent (refer note 35)	2,218.57	1,950.13
Transportation, traveling and conveyance	736.89	595.91
Power and fuel	301.85	265.78
Café housekeeping and maintenance	168.63	150.95
Subcontracting charges	150.18	132.56
Brokerage and commission	146.63	116.71
Grinding and curing charges	74.50	80.17
Repairs and maintenance		
- plant and machinery	87.86	48.26
- buildings	0.83	0.99
- others	29.93	17.78
Advertising and sales promotion	71.43	48.30
Legal and professional fees	45.24	42.29
Rates and taxes	21.04	36.33
Communication expenses	33.57	33.19
Freight and handling charges	42.94	40.20
Office maintenance and utilities	22.99	21.26
Provision for doubtful debts	-	20.00
Printing and stationery	13.31	11.21
Insurance	16.54	13.64
Loss on sale of assets, net	-	3.01
Foreign exchange loss, net	49.85	0.02
Impairment of goodwill (refer note 5)	-	7.07
Miscellaneous	64.29	41.05
	4,297.07	3,676.81

32. INCOME TAX

A. Major components of income tax expense for the years ended 31 March 2018 and 31 March 2017:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current income tax:		
Current income tax charge	309.05	250.14
Adjustments in respect of current income tax of previous years	-	24.43
	309.05	274.57
Deferred tax:		
Relating to origination and reversal of temporary differences	(33.17)	(44.08)
	(33.17)	**(44.08)**
	275.88	**230.49**

B. Income tax recognised in other comprehensive income

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Effective portion of gains and losses on hedging	(0.14)	(2.53)
Net (gain)/loss on remeasurement of defined benefit liability/ (assets)	(2.07)	(0.05)
Income tax charged to OCI	**(2.21)**	**(2.58)**

C. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit before tax	647.33	497.66
Current-year losses of subsidiary companies	58.41	65.68
Adjusted profit before tax	**705.74**	**563.34**
Tax at the Indian tax rate of 34.608% (31 March 2017: 34.608%)	**244.24**	**194.96**
Impact non-deductible expenses for tax purposes	31.64	11.10
Adjustments in respect of current income tax of previous years	-	24.43
Income tax expense	**275.88**	**230.49**

D. Deferred tax

Deferred tax relates to the following:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Deferred tax assets/ (liabilities)		
Excess of depreciation allowed under Income Tax Act, 1961 over depreciation as per books	50.41	14.14
Borrowings	(0.06)	9.99
Security deposit	23.21	15.92
Employee benefits	6.04	14.00
Rent straight lining	30.99	23.23
Provision for doubtful debts	13.84	13.84
Effective portion of gains on hedging instruments in cash flow hedges	-	0.15
	124.43	91.27

E. UNRECOGNISED DEFERRED TAX ASSETS

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Deductible temporary differences	324.21	230.36
Impact of tax losses	108.96	77.42

*The deductible temporary differences do not expire under current tax legislation.

33. CONTINGENT LIABILITIES, COMMITMENTS AND CONTINGENT ASSETS

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Contingent liabilities:		
Claims against the Group not acknowledged as debt in respect to income tax matter, service tax and value added tax matters (refer note i and ii)	650.35	656.43
Commitments:		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for (refer note iii)	119.43	70.50

Notes:

i) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

ii) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. Based on the advice from the Group's legal counsel, management does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Group does not expect any reimbursements in respect of the above contingent liabilities.

iii) As at 31 March 2018, the Group is committed to spend Rs 14.23 million (31 March 2017: Rs 23.23 million) under a contract to purchase property, plant and equipment.

34. EARNINGS PER SHARE (EPS)

(i) Reconciliation of earnings used in calculating earnings per share:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit as for the year	369.73	263.63
Net profit for basic earnings per share	**369.73**	**263.63**
Net profit for diluted earnings per share	369.73	263.63

(ii) Reconciliation of basic and diluted shares used in computing earnings per share:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Number of equity shares at the beginning of the year	169,906,657	168,675,747
Add: Weighted average number of equity shares issued during the year:		
- Due to conversion of debentures	627,258	628,944
Number of weighted average equity shares considered for calculation of basic earnings per share	**170,533,915**	**169,304,691**
Add: Dilutive effect of convertible debentures	19,755,822	19,755,822
Number of weighted average equity shares considered for calculation of diluted earnings per share	190,289,737	189,060,513

For the year ended 31 March 2018 2,546,358 (31 March 2017: 4,243,930) compulsorily convertible debentures issued to FMO which are convertible into 1,846,365 (31 March 2017: 3,077,275) equity shares were excluded from the calculation of diluted weighted average number of equity shares as their effect would have been anti-dilutive.

(iii). Earnings per share:

From continuing operations		
- Basic	2.17	1.56
- Diluted	1.94	1.39

35. LEASES

(i) Operating lease

Assets given on operating lease:

The Group earns its facility rental income from premises sub-leased under operating lease which is recognized in the statement of profit and loss on a straight-line basis over the term of the lease. Total lease rental income recognised in the statement of profit and loss for the year is:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Non-cancellable	8.55	22.47
	8.55	**22.47**

Assets taken on operating lease:

The Group leases office premises, residential facilities and cafe spaces under operating lease agreements. The Group intends to renew such leases in the normal course of its business. Total rental expense under operating leases was Rs 2218.57 million and Rs 1,950.13 million for the year ended 31 March 2018 and 31 March 2017 respectively.

Future minimum lease payments

The future minimum lease payments to be made under non-cancellable operating leases as on 31 March 2018 and 31 March 2017 are as follows:

Rs in million

Particulars	As at31 March 2018	As at 31 March 2017
Payable in less than one year	533.94	610.83
Payable between one and five years	1,300.69	1,645.56
Payable after five years	490.95	715.27

36. SEGMENT INFORMATION

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, Managing Director of the Group have been identified as the Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Production, procurement and export division and retail operations as its operating segments.

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 policies.

Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group, therefore, believes that it is not practicable to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as unallocated. Unallocable expenses comprises of finance cost and certain other corporate costs. Unallocable income comprises of interest income and other income.

(i) Segment revenue:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from external customers:		
Production, procurement and export division	3,708.39	3,494.36
Retail operation	16,452.57	14,233.53
Inter-segment revenue:		
Production, procurement and export division	4.58	382.82
Retail operation	-	61.99
Total segment revenue	**20,165.54**	**18,172.70**
Reconciling items:		
- taxes and discounts on sales	(2,390.48)	(2,373.23)
- inter-segment revenue	(4.58)	(444.81)
Total revenue as per statement of profit and loss	**17,770.48**	**15,354.66**

(ii) Segment results:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Production, procurement and export division	74.04	53.23
Retail operation	2,906.14	2,556.03
Total segment results	**2,980.18**	**2,609.26**
Reconciling items:		
- depreciation	(1,742.73)	(1,632.65)
- finance cost	(682.81)	(478.95)
- foreign exchange loss considered as finance cost	92.69	-
- share of loss of joint ventures accounted for by the equity method	(1.72)	(3.54)
Profit before tax as per statement of profit and loss	**645.61**	**494.12**
Income tax expense	(275.88)	(230.49)
Profit after tax as per statement of profit and loss	**369.73**	**263.63**

Note:

Since, the information about segment assets and segment liabilities are not provided to the CODM for his review, the Group has not presented such information as a part of its segment disclosure which is in accordance with the requirements of Ind AS 108.

Geographical information

(i) Segment Revenue:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from external customers:		
- India	14,057.51	12,488.18
- Europe	3,411.22	2,680.82
- Other foreign countries	301.75	185.66
Total segment revenue	**17,770.48**	**15,354.66**

(ii) Segment non-current assets

Particulars	As at 31 March 2018	As at 31 March 2017
- India	11,389.20	10,897.34
- Europe	32.84	26.47
Total	**11,422.04**	**10,923.81**
Reconciling items:		
- deferred tax assets	124.43	91.27
- non-current financial assets	869.70	858.17
- Other tax assets	44.87	39.40
Total non-current assets	**12,461.04**	**11,912.65**

Revenue from major products and services

The Group's revenue from continuing operations from its major products or services are as follows:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of coffee beans	4,766.46	4,065.26
Sale of food, beverages and other items	12,996.93	11,775.74
Sale of merchandise items	629.54	624.16
Service income from vending machines	974.34	807.80

Information about major customers

The Group does not derive more than 10% of it's revenues from any single customer.

37 GOVERNMENT GRANT

The Group is entitled to receive grant from various State Governments under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (erstwhile Aajeevika Skills Development Programme) launched by the Ministry of Rural Development (MoRD), Government of India, towards providing training facilities. As at 31 March 2018, the Group has received cumulatively, total grant of Rs 96.27 million (31 March 2017 Rs 77.05 million).

The Group has incurred a cost of Rs 23.03 million for the year ended 31 March 2017 (Previous year: Rs 49.52 million) under various heads. The said expenses has been reduced from the proceeds of this grant.

The unutilised amount of of the total grant received as at 31 March 2018 is Rs. 3.51 million (31 March 2017: Rs. 2.86 million).

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Staff welfare expenses	5.37	23.04
Rent	7.87	18.32
Legal and professional	0.09	2.05
Transportation, traveling and conveyance	0.38	3.54
Repairs and maintenance - buildings	0.04	1.28
Power and fuel	0.38	0.72
Printing and stationery	0.79	0.57
Rate & Taxes	8.11	-
	23.03	**49.52**

38. SPECIFIED BANK NOTE

During the previous year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated 31 March 2017. The details of SBNs held and transacted during the period from 8 November 2016 to 30 December 2016, the denomination-wise SBNs and other notes as per the notification are as follows :

Particulars	Specified bank notes	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	51.56	7.13	58.69
Add: Permitted receipts	-	401.89	401.89
Less: Amount deposited in banks	(51.56)	(348.92)	(400.48)
	-	**60.10**	**60.10**

For the purposes of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November 2016.
No similar disclosure has been given for the year ended 31 March 2018 as it is not applicable.

39. INTEREST IN OTHER ENTITIES

A. Subsidiary companies:

The consolidated financial statements of the Group includes subsidiary companies listed in the table below:

Name of the entity	Country of incorporation	Principal activities	Ownership interest held by the group (%)	Ownership interest held by non-controlling interest (%)			
				31 March 2018	31 March 2017	31 March 2018	31 March 2017
A.N Coffeeday International Limited		Cyprus	Investment	100.00	100.00	-	-
Classic Coffee Curing Works		India	Coffee Curing	99.00	99.00	1.00	1.00
Coffeelab Limited		India	Retail	100.00	100.00	-	-
Coffee Day Gastronomie Und Kaffeehandles GmbH		Austria	Retail	100.00	100.00	-	-
Coffee Day CZ a.s		Czech Republic	Retail	100.00	100.00	-	-

B. Joint venture company

(i) Coffee Day Schaerer Technologies Private Limited ("CDSTPL") is a joint venture company of the Group with 49% ownership interest as at 31 March 2018 which in the opinion of the directors is material. CDSTPL manufactures and sells automatic and semi-automatic coffee vending machines, its components and spare parts.

(ii) **Summarised financial information about the joint venture company and the carrying amount of the Group's interest in the joint venture company:**

Rs in million

Summarised balance sheet	Coffee Day Schaerer Technologies Private Limited	
	As at 31 March 2018	As at 31 March 2017
Current assets:		
- Cash and cash equivalents	4.26	2.35
- Other current assets	51.44	35.96
Total	**55.70**	**38.31**
Non-current assets	**4.38**	**4.87**
Current liabilities:		
- Financial liabilities (excluding trade payables)	26.04	14.71
- Trade payables	39.28	23.84
- Other current liabilities	0.22	1.06
Total	**65.54**	**39.61**
Non-current liabilities:		
- Provisions	0.05	0.06
Total	**0.05**	**0.06**
Net assets	**(5.51)**	**3.51**
Group's share of net assets (49%)	(2.70)	1.72
Carrying amount of interest in joint venture	**-**	**1.72**

Rs in million

Summarised statement of profit and loss	Coffee Day Schaerer Technologies Private Limited	
	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue	26.53	18.73
Other income	-	1.87
TOTAL INCOME	**26.53**	**20.60**
Cost of materials consumed	17.44	15.19
Changes in inventories of finished goods and work-in-progress	(0.84)	(2.69)
Employee benefits expense	4.10	2.55
Depreciation and amortization	0.81	0.66
Other expenses	14.04	12.10
Total expenses	**35.55**	**27.81**
Loss from operations for the year	(9.02)	(7.21)
Other comprehensive income		-
Total comprehensive income	**(9.02)**	**(7.21)**
Group's share of total comprehensive income (49%) restricted to the cost of investment	(1.72)	(3.54)

40.CONSOLIDATED FINANCIAL INFORMATION

Additional information required to be disclosed pursuant to paragraph 2 of Division II of Schedule III to the Companies Act, 2013 - 'General instructions for the preparation of consolidated financial statements' as at and for the year ended 31 March 2018 is as follows:

Rs in million

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent company								
Coffee Day Global Limited	95.28%	12,718.49	117.03%	432.69	100.00%	2.89	116.90%	435.58
Indian subsidiaries								
Classic Coffee Curing Works	0.14%	18.06	-0.35%	(1.30)	0%	-	-0.35%	(1.30)
Coffeelab Limited	-0.05%	(7.34)	-0.48%	(1.76)	0%	-	-0.47%	(1.76)
Foreign subsidiaries								
A.N Coffeeday International Limited	5.89%	786.05	-0.45%	(1.66)	0%	-	-0.45%	(1.66)
Coffee Day Gastronomie Und Kaffeehandles GmbH	0.01%	2.00	-5.23%	(19.35)	0%	-	-5.19%	(19.35)
Coffee Day CZ a.s	-1.26%	(168.36)	-9.32%	(34.47)	0%	-	-9.25%	(34.47)
Joint ventures (investment as per the equity method)								
Indian								
Coffee Day Schaerer Technologies Private Limited	0.00%	-	-1.20%	(4.42)	0%	-	-1.19%	(4.42)
Total	100.00%	13,348.90	100.00%	369.73	100.00%	2.89	100.00%	372.62

41 RELATED PARTY DISCLOSURE

A. Related parties with whom transactions have taken place during the year

1. Parent entity

- Coffee Day Enterprises Limited

II. Subsidiary companies

- A.N Coffeeday International Limited
- Coffee Day Gastronomie Und Kaffeehandles GmbH
- Coffee Day CZ a.s.
- Coffeelab Limited
- Classic Coffee Curing Works

III. Joint venture company

- Coffee Day Schaerer Technologies Private Limited

IV. Entities under common control, associates of holding company with whom transactions have taken place:

- Tanglin Developments Limited
- Mysore Amalgamated Coffee Estates Limited
- Kesar Marbles and Granites Limited
- Dark Forest Furniture Company Private Limited
- Mindtree Limited
- SICAL Logistics Limited
- Tanglin Retail Reality Developments Private Limited
- Coffee Day Hotels and Resorts Private Limited
- Wilderness Resorts Private Limited
- Karnataka Wildlife Resorts Private Limited

V. Key management personnel of the entity

- V.G. Siddhartha, Managing Director
- Malavika Hegde
- Jayraj Hubli, Chief Financial Officer
- Venu Madhav
- Sadananda Poojary, Company Secretary
- Sanjay Nayar
- S.V.Ranganath
- K.P.Balaraj

B. Transactions with related party:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Transactions with :		
I. Parent entity: Coffee Day Enterprises Limited		
Issue of compulsorily convertible debentures :	0.10	0.10
Reimbursable expenses incurred by the Company	-	3.75
Non-cash distributions	0.57	0.80
II. Joint venture company		
Investment in		
- Coffee Day Schaerer Technologies Private Limited	6.86	4.90
Purchases of coffee vending machines		
- Coffee Day Schaerer Technologies Private Limited	26.53	18.73
Reimbursable expenses incurred by the Company on behalf of		

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
III. Entities under common control, associates of holding company:		
Commission income		
- Tanglin Retail Reality Developments Private Limited	1.55	2.37
- Wilderness Resorts Private Limited	2.23	1.29
- Karnataka Wildlife Resorts Private Limited	-	0.13
- Coffee Day Hotels and Resorts Private Limited	-	0.29
- Tanglin Developments Limited	-	2.50
Transportation and subcontracting charges		
- SICAL Logistics Limited	628.31	515.92
Sale of coffee and service income		
- Mindtree Limited	28.68	24.40
- Coffee Day Hotels and Resorts Private Limited	1.48	3.14
- Karnataka Wild Life Resorts Private Limited	0.47	0.99

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Purchase of clean and raw coffee		
- Mysore Amalgamated Coffee Estates Limited	392.34	440.46
Purchase of fixed assets		
- Dark Forest Furniture Company Private Limited	209.29	344.70
Purchase of software		
- Mindtree Limited	25.62	50.89
Advance paid to		
- Dark Forest Furniture Company Private Limited	410.60	220.08
- Mysore Amalgamated Coffee Estates Limited	3,650.10	3,385.60
Interest paid on advances received from		
- Mysore Amalgamated Coffee Estates Limited	3.74	5.52
Reimbursable expenses incurred by the Company on behalf of		
- Tanglin Developments Limited	3.83	3.53
Repayment of advances from		
- Kesar Marble & Granites Limited	-	0.58
- Mysore Amalgamated Coffee Estates Limited	3,219.40	2,945.14
Guarantee given/ (closed)		
- Tanglin Retail Reality Developments Private Limited	(950.00)	-
- Wilderness Resorts Private Limited	(300.00)	250.00
- Karnataka Wildlife Resorts Private Limited	-	(300.00)
- Coffee Day Hotels and Resorts Private Limited	-	(700.00)
- Tanglin Developments Limited	-	(500.00)
IV. Key management personnel of the entity		
Key management personnel compensation		
- Jayraj Hubli	11.39	7.52
- Sadananda Poojary	6.63	3.80
- Venu Madhav A	10.87	8.65
Guarantee given/ (closed)		
- V. G. Siddhartha	2,287.78	(956.90)

C. The following is a summary of balances receivable from and payable to related parties:

Particulars	As at 31 March 2018	As at 31 March 2017
I. Parent entity: Coffee Day Enterprises Limited		
- Compulsorily convertible debentures	4,100.00	4,100.00
- Other payables	0.37	0.37
II. Joint venture company		
Current loans		
- Coffee Day Schaerer Technologies Private Limited	24.70	15.46
Creditors for capital goods		
- Coffee Day Schaerer Technologies Private Limited	31.41	11.69
III. Entities with common control, associates of holding company:		
Trade receivables		
- Mindtree Limited	8.15	5.62
- Coffee Day Hotels and Resorts Private Limited	0.96	-
Creditors for capital goods		
- Mindtree Limited	30.53	37.41
- Dark Forest Furniture Company Private Limited	305.94	105.33
Trade payables		
- SICAL Logistics Limited	-	145.66
- Dark Forest Furniture Company Private Limited	3.44	-
Other receivables		
- Tanglin Developments Limited	1.50	1.50
Corporate guarantees given		
- Tanglin Retail Reality Developments Private Limited	-	950.00
- Wilderness Resorts Private Limited	250.00	550.00
IV. Key management personnel of the entity:		
Personal guarantee received for loans taken		
- V. G. Siddhartha	4,460.00	2,172.22

D. Compensation of key management personnel of the Group:

The remuneration of directors and other members of key management personnel during the year was as follows:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries and wages		
- Short-term employee benefits	28.89	19.97
	28.89	**19.97**

The remuneration of directors and key executives is determined having regard to the performance of individuals and market trends. Post employment benefit comprising gratuity and compensated absences are not disclosed as these are determined for the Group as a whole.

E. Terms and conditions

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within the credit period allowed as per the policy. None of the balances are secured.

42 EMPLOYEE BENEFITS OBLIGATIONS

A. Defined benefit plan

The Group has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to recognised funds in India. The same is maintained by the LIC New Group Gratuity Cash Accumulation Plan and Kotak gratuity group plan.

B. Reconciliation of the projected benefit obligations

Rs in million

Particulars	As at31 March 2018	As at31 March 2017
Change in projected benefit obligation:		
Obligations at the beginning of the year	129.32	106.61

Rs in million

Particulars	" As at 31 March 2018 "	" As at 31 March 2017 "
Service cost	25.21	22.60
Interest cost	7.46	5.47
Actuarial (gains) losses recognised in other comprehensive income:		
- due to changes in financial assumptions	(16.96)	2.93
- due to experience adjustments	19.99	(3.70)
Benefits settled	(11.11)	(4.59)
Obligations at year end	**153.91**	**129.32**

Change in plan assets:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Plans assets at the beginning of the year, at fair value	105.80	83.38
Expected return on plan assets	6.95	6.04
Actuarial (loss)/gain	(2.71)	(1.68)
Contributions	23.02	22.65
Benefits settled	(11.11)	(4.59)
Plans assets at year end, at fair value	**121.95**	**105.80**

Reconciliation of present value of obligation and fair value of plan assets:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Net defined benefit assets	121.95	105.80
Total employee benefit assets (non-current)	**121.95**	**105.80**
Net defined benefit liability	153.91	129.32
Total employee benefit liabilities	**153.91**	**129.32**
Net liability:		
Non-current	31.96	16.62
Current	-	6.90
	31.96	23.52

C. (i) Expense recognised in profit or loss:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost	25.21	22.60
Interest cost	7.46	5.47
Interest income	(6.95)	(6.04)
Net gratuity cost	**25.72**	**22.03**

C. (ii) Remeasurements recognised in other comprehensive income:

Rs in million

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Actuarial (gains) / losses	3.27	(0.77)
(Return)/ loss on plan assets excluding interest income	2.71	1.68
	5.98	**0.91**

D. Plan assets comprise of the funds amounting to Rs 121.95 million (March 2017: 105.80).

E Defined benefit obligation

(i) Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest rate	7.60%	6.65%
Salary increase	4.00%	4.00%
Attrition rate	10.00%	25.00%
Mortality table	IALM (2006-08)	IALM (2006-08)

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Rs in million

Particulars	For the year ended 31 March 2018		"For the year ended 31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (100 basis points movement)	144.93	163.86	110.93	117.62
Future salary growth (100 basis points movement)	163.35	145.25	117.68	110.82

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

43 FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

A. Accounting classification and fair value

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Rs in million

Particulars	Carrying value as at 31 March 2018	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at amortized cost:					
- Other financial assets (current)	88.75	-	-	-	-
- Fixed deposits and margin money with banks	9.00	-	-	-	-
- Trade receivables	2,139.00	-	-	-	-
- Cash and cash equivalents	3,846.96	-	-	-	-
- Bank balances other than cash and cash equivalents	74.12	-	-	-	-
- Security deposits	866.47	-	-	-	-
- Loans (current and non-current)	20.93	-	-	-	-
Total	7,045.23	-	-	-	-
Financial liabilities					
- Borrowings (current and non-current)	3,981.20	-	-	-	-
- Other financial liabilities (current and non-current)	1,814.45	-	-	-	-
- Trade payables	308.41	-	-	-	-
Total	6,104.06	-	-	-	-

The Group has not disclosed the fair values for financial instruments such as other non current financial assets, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other current financial assets, loans, borrowings with fluctuating interest rate, other non current financial liabilities, trade payables and other current financial liabilities because their carrying amounts are a reasonable approximation of fair value.

Rs in million

Particulars	Carrying value as at 31 March 2018	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at fair value through profit and loss:					
- Interest rate swaps	6.55	-	6.55	-	6.55
Financial assets measured at amortized cost:					
- Other financial assets (current)	127.04	-	-	-	-
- Fixed deposits and margin money with banks	77.63	-	-	-	-
- Trade receivables	1,545.83	-	-	-	-
- Cash and cash equivalents	2,159.51	-	-	-	-
- Bank balances other than cash and cash equivalents	60.01	-	-	-	-
- Security deposits	791.72	-	-	-	-
- Loans (current and non-current)	39.00	-	-	-	-
Total	4,807.29	-	-	-	-

Rs in million

Particulars	Carrying value as at 31 March 2018	Fair value			Total
		Level 1	Level 2	Level 3	
Financial liabilities					
- Borrowings (current and non-current)	2,200.26	-	-	-	-
- Other financial liabilities (current and non-current)	1,804.13	-	-	-	-
- Trade payables	286.22	-	-	-	-
Total	4,290.61	-	-	-	-

The Group has not disclosed the fair values for financial instruments such as other non current financial assets, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other current financial assets, loans, borrowings with fluctuating interest rate, other non current financial liabilities, trade payables and other current financial liabilities because their carrying amounts are a reasonable approximation of fair value.

B. Measurement of fair values

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:
a) recognised and measured at fair value
b) measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation technique and significant unobservable inputs

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. Related valuation processes are described in Note 2(F).

Financial instruments measured at fair value	Type	Valuation Technique	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value measurement
Fair value	Interest rate swaps	The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the entity and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.	Not applicable	Not applicable
Amortized cost	Borrowings at fixed interest rate	The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.	Not applicable	Not applicable

C. Financial risk management

The Group's has exposure to the following risks arising from financial instruments:
- credit risk (refer note ii below)
- liquidity risk (refer note iii below)
- market risk (refer note iv below)

(i) Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. 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's 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. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The carrying amount of financial assets represents the maximum credit exposure.

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 associated with the industry and country in which customers operate.

Outstanding customer receivables, which can be classified into receivables from corporates and receivables from retail operations are evaluated as minimal credit risk by the Group. Receivable from corporates are mainly from reputed companies from which we have noted a trend of timely collections. Retail operations pertains to customers who pay at the point of sale at the cafe and xpress outlets. However there is low risk on account of payments made through credit cards and coupons which are recoverable from banks, financial institutions and corporates having minimal credit risk.

Due to this factor, management believes that no additional credit risk is inherent in the Group's trade receivables and other receivables and unbilled revenue. At the balance sheet date, there were no significant concentrations of credit risk.

Expected credit loss (ECL) assessment for customers as at 31 March 2018 and 31 March 2017:

The Group allocates each exposure to a credit risk is grade based on a variety of data that is determined to be predictive of the risk loss (including but not limited to

past payment history, cash flow projections and available press information about the customers) and applying experienced credit judgement.
As explained above, the Group has categorised its receivables into the following parts:
- Receivables from corporate customers: Receivables above 1 year are considered to be doubtful and provision is created for the balance.
- Receivables from retail operations: Receivables above 6 months are considered to be doubtful and provision is created for the balance.
The following table provides information about the exposure to credit risk and the expected credit loss for trade receivables:

Rs in million

	As at 31 March 2018		As at 31 March 2017	
	Carrying amount	Provision amount	Carrying amount	Provision amount
Up to 180 days	2,118.40	-	1,528.42	-
More than 180 days	60.60	40.00	57.41	40.00
	2,179.00	**40.00**	**1,585.83**	**40.00**

The gross carrying amount of trade receivables is Rs 2,179.00 million as at 31 March 2018 (31 March 2017: Rs 1,585.83 million).

Reconciliation of loss allowance:

Particulars	As at 31 March 2018	As at 31 March 2017
Loss allowance in the beginning of the year	40.00	20.00
Changes in allowance	-	20.00
Loss allowance at the end of the year	**40.00**	**40.00**

Cash and cash equivalents (including bank balances, fixed deposits and margin money with banks):

Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Loans and security deposit:

Expected credit loss for loans and security deposits is as follows:

Particulars		Period ended	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount, net of impairment provision
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-Mar-18	Security deposits	866.47	-	-	866.47
			Loan	20.93	-	-	20.93
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-Mar-17	Security deposits	791.72	-	-	791.72
			Loan	39.00	-	-	39.00

(iii) Liquidity risk

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.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Management of the Group in accordance with practice and limits set by the Group. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Exposure to liquidity risk

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities.

The amounts are gross and undiscounted contractual cash flow.

Rs in million

As at 31 March 2018	Carrying amount	Total	Less than 1 year	1–2 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Current borrowings	1,866.68	1,866.68	1,866.68	-	-	-
Non-current borrowings (including current maturities)	2,609.01	2,687.01	572.49	590.62	934.33	589.57
Trade payables	308.41	308.41	308.41	-	-	-
Other financial liabilities (current and non-current)	1,319.96	1,319.96	900.36	-	-	419.60
	6,104.06	**6,182.06**	**3,647.94**	**590.62**	**934.33**	**1,009.17**

Rs in million

As at 31 March 2017	Carrying amount	Total	Less than 1 year	1–2 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Current borrowings	1,009.60	1,009.60	1,009.60	-	-	-
Non-current borrowings (including current maturities)	1,814.80	2,137.94	621.30	462.26	702.38	352.00
Trade payables	286.22	286.22	286.22	-	-	-
Other financial liabilities (current and non-current)	1,152.51	1,187.37	814.62	-	-	372.75
	4,263.13	**4,621.13**	**2,731.74**	**462.26**	**702.38**	**724.75**

The outflows disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

(iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the

risk management committee. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group. The functional currencies of the Group is primarily INR. The currencies in which these transactions are primarily denominated are Euro and US dollars, etc.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

Particulars	As at 31 March 2018		As at 31 March 2017	
	EUR	USD	EUR	USD
Trade receivables	-	12.43	0.02	7.89
Advances recoverable in cash or in kind	-	0.15	-	0.34
Loan from banks	(19.17)	(14.00)	(2.02)	(20.94)
Net statement of financial position exposure	**(19.17)**	**(1.42)**	**(2.00)**	**(12.71)**
Less: Forward exchange contracts	-	-	-	2.94
Net exposure	**(19.17)**	**(1.42)**	**(2.00)**	**(9.77)**

The following significant exchange rates have been applied:

			Year-end spot rate	
INR			31 March 2018	31 March 2017
USD 1			64.64	64.84
EUR 1			81.32	69.25

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Euro or US dollar against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2018				
Euro (17% movement)	(271.72)	271.72	-	-
USD (0.3% movement)	0.28	(0.28)	-	-
Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2017				
Euro (8% movement)	11.08	(11.08)	-	-
USD (2% movement)	12.67	(12.67)	-	-

Commodity price risk

The Group purchases coffee on an ongoing basis for its operations. The increased volatility in coffee price has led to the decision to enter into commodity forward contracts. Its operating activities require the ongoing purchase and sale of coffee and therefore require a continuous supply of coffee. The Group's Board of Directors have developed and enacted a risk management strategy regarding commodity price risk and its mitigation. Based on a 12-month forecast of the required coffee supply, the Group hedges the purchase price using forward commodity purchase contracts.

Exposure to commodity risk

The exposure of the Group due to commodity price changes at the end of the reporting period are as follows :

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Financial asset	8.00	22.22
Net exposure	**8.00**	**22.22**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the coffee prices as at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

Rs in million

Commodity price sensitivity	Profit or loss		Equity, net of tax	
	Strength-ening	Weak-ening	Strength-ening	Weak-ening
31 March 2018				
Coffee (20% movement)	(1.60)	1.60	-	-
31 March 2017				
Coffee (11% movement)	(1.47)	1.47	-	-

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group had entered into interest rate swap to hedge the interest rate risk.

Exposure to interest rate risk

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Fixed rate instruments:		
Financial assets	3,533.12	1,738.41
Financial borrowings	(4,475.69)	(1,661.22)
Effect of interest rate swaps	-	192.66
Fixed rate instruments exposed to interest rate risks	**(942.57)**	**269.85**
Variable rate instruments:		
Financial assets	-	-
Financial borrowings	-	-
Effect of interest rate swaps	-	192.66
Variable rate instruments exposed to interest rate risks	**-**	**192.66**

Sensitivity analysis

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 1% in interest rates at the reporting date would have increased (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Rs in million

Particulars	Profit or loss	
	1% increase	1% decrease
31 March 2018		
Variable rate instruments	-	-
31 March 2017		
Variable rate instruments	-	-

Hedge accounting

The Group holds the following instruments to hedge exposures to changes in interest rates:

Rs in million

	31 March 2018	31 March 2017	
	Maturity in less than 1 year Maturity in more than 1 year	Maturity in less than 1 year	Maturity in more than 1 year
Interest rate risk			
Interest rate swaps:			
Net exposure	- -	191.06	-
Average fixed interest rate (LIBOR)	- -	1.71%	-

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

As at 31 March 2018: *Rs in million*

Type of hedge and risks	Nominal value	Carrying amount of hedging instrument	Line item in the statement of financial position where the hedging instrument is included	Changes in the value of the hedging instrument recognised in OCI	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from equity head 'effective portion of cash flow hedges' to profit or loss	"Line item in profit or loss affected by the reclassification"
		Asset						
Interest rate risk								
- Interest rate swap	-	-	Other financial assets	0.40	(0.40)	Nil	Nil	NA

D. Financial borrowings

Variable rate instruments exposed to interest rate risks

As at 31 March 2017: *Rs in million*

Type of hedge and risks	Nominal value	Carrying amount of hedging instrument	Line item in the statement of financial position where the hedging instrument is included	Changes in the value of the hedging instrument recognised in OCI	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from equity head 'effective portion of cash flow hedges' to profit or loss	"Line item in profit or loss affected by the reclassification"
		Asset						
Cash flow hedge:- Interest rate swap	192.66	-	Other financial liabilities	7.31	(7.31)	Nil	Nil	NA

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting:

Rs in million

Particulars	31 March 2018	31 March 2017
	Equity head 'Effective portion of cash flow hedges'	Equity head 'Effective portion of cash flow hedges'
Opening balance for the period	(0.26)	(5.04)
Cash flow hedges : Interest rate risk		
Changes in fair value	0.26	7.31
Amount reclassified to profit or loss	-	-
Amount included in the cost of non-financial items	-	-
Tax on movements in relevant items of OCI during the year	-	(2.53)
Closing balance for the period	-	(0.26)

44. SCHEME OF AMALGAMATION BETWEEN AMALGAMATED HOLDINGS LIMITED, COFFEE DAY PROPERTIES (INDIA) PRIVATE LIMITED, GANGA COFFEE CURING WORKS LIMITED WITH THE COMPANY

On 22 June 2017, the Board of Directors of the Company approved a draft Scheme of arrangement ("Scheme") for amalgamation of Amalgamated Holdings Limited, Coffee Day Properties (India) Private Limited, Ganga Coffee Curing Works Limited ("the transferor / transferor companies") with the Company (" the transferee company") under Section 233 of the Companies Act, 2013. The Regional Director approved the scheme vide its order dated 30 January 2018 with an Appointed Date of 1 April 2017. The Company has given effect to the Scheme by restating the balances in standalone financial statements for the year ended 31 March 2017, as per the available guidance for accounting for transactions under common control in accordance with Ind AS.

(i) Salient features of the Scheme

Salient features of the Scheme as approved by Regional Director are given below:

(i) all the business, assets (whether movable or immovable, tangible or intangible), properties, rights, interests and claims including all benefits and entitlements of the Transferor Companies will be deemed to have been vested with the Company;

(ii) all liabilities, debts, obligations and duties of the transferor companies shall also stand transferred to and vest in the Company;

(iii) all suits, actions and proceedings by or against the transferor companies pending and/or arising on or before the date on which the certified copy of the order of the Regional Director confirming the Scheme is filed with the Registrar of Companies, Karnataka ('the Effective Date') shall continue and be enforced by or against the Company;

(iv) with effect from the Appointed Date, all profits, incomes, losses and expenditure of the transferor companies would be treated as profits, incomes, losses and expenditure of the Company; and

(v) the transferor companies being a wholly owned subsidiary of the Company, there will be no consideration payable, no issue/ allotment of any shares of the Company for the merger and the investment in the shares of the transferor companies appearing in the books of the Company as on the Appointed Date shall stand cancelled.

(ii) Accounting treatment in the books of the Company

(i) all the assets and liabilities of the transferor companies shall be transferred at their respective book as appearing on the day immediately preceding the Appointed Date to the Company upon the scheme being approved by the Regional Director;

(ii) inter-company investments, balances and transactions between the transferor companies and the Company shall be cancelled;

(iii) the excess/deficit,if any of the value of assets over the value of liabilities of the transferor companies vested in the Transferee Company pursuant to this scheme as recorded in the Books of Account of the Transferee Company, shall be adjusted to the Capital Reserve Account in the books of the Transferee Company.

(iv) all costs, charges and expenses in relation to or connection with negotiations leading up to this Scheme and of carrying out and implementing the terms and provisions of this Scheme and the activities incidental thereto shall be borne and paid by the Company.

List of assets and liabilities being transferred as at 1 April 2016:

Amount in INR million

Particulars	Debit	Credit
Property plant & equipment	166.87	
Investments	19.77	
Current and non-current loans	41.53	
Current and non-current assets	79.79	
Current and non-current financial assets	50.75	
Other equity		253.38
Current and non-current financial liabilities		76.23
Current and non-current liabilities		29.10
	358.71	358.71
Net assets taken over as on 1 April 2016	***253.38***	

v) The said scheme of amalgamation is a business combination involving entities under common control as the transferor companies is a wholly owned subsidiary of transferee Company and hence the same has been accounted in the previous financial year as per the Pooling of interest method as required under Appendix C of Ind AS 103.

vi) The Company has considered the retained earnings and other equity as at 1 April 2016 and included the same in the reserves and surplus. The excess of the value of net assets taken Rs 6,315.70 over investments in the books of transferee amounting to Rs 6,305.89 million has been credited to the Capital Reserve Account in the books of the transferee company.

vi) Based on Ind AS 103 Appendix C para 9, the financials of previous years has been restated to give effect to the above scheme of amalgamation. Coffee Day Global Limited was formed by the transferee company prior to the transition date and hence its financial results are included from 1 April 2016.

45. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, compulsorily convertible debentures, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the effective portion of cash flow hedges. The Group's adjusted net debt to equity ratio at 31 March 2018 was as follows.

Rs in million

Particulars	As at 31 March 2018	As at 31 March 2017
Total liabilities	6,825.66	5,043.71
Less: cash and cash equivalents	3,846.96	2,159.51
Adjusted net debt	**2,978.70**	**2,884.20**
Total equity	13,348.90	12,806.52
Less: effective portion of cash flow hedges	-	0.26
Adjusted equity	**13,348.90**	**12,806.26**
Adjusted net debt to equity ratio	0.22	0.23

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

The notes referred to above form an integral part of these consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Sd/.
Supreet Sachdev
Partner
Membership number: 205385

Place: Bangalore
Date: 17 May 2018

for and on behalf of the Board of Directors of
Coffee Day Global Limited

Sd/.
Malavika Hegde
Director
DIN: 00136524

Sd/.
V. G. Siddhartha
Managing Director
DIN: 00063987

Sd/.
Sadananda Poojary
Company Secretary

Place: Bangalore
Date: 17 May 2018

Sd/.
Jayraj C Hubli
CFO/ Director
DIN: 00073670

Place: Bangalore
Date: 17 May 2018

AGM NOTICE

NOTICE IS HEREBY GIVEN THAT THE 10TH ANNUAL GENERAL MEETING OF THE MEMBERS OF COFFEE DAY ENTERPRISES LIMITED WILL BE HELD AT CAFÉ COFFEE DAY, GLOBAL VILLAGE, RVCE POST, MYSORE ROAD, MYLASANDRA, BANGALORE (KA) 560059 ON THURSDAY, THE 27TH DAY OF SEPTEMBER, 2018 AT 11:00 A.M. TO TRANSACT THE FOLLOWING BUSINESSES:

A. ORDINARY BUSINESS:

Item No.1: To consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the Financial Year ended 31 March 2018, together with the reports of the Board of Directors and Auditors thereon.

Item No.2: To re-appoint a Director in place of Mr. Sanjay Omprakash Nayar (DIN: 00002615) who retires by rotation and being eligible offers himself for re-appointment.

Item No.3: To appoint B.S.R & Associates LLP as Statutory Auditors.

The Companies Act 2013 was notified effective 1 April 2014. Section 139 of the act lays down the criteria for appointment and mandatory rotation of Statutory Auditors. Pursuant to the said 139 of the act and the rule made thereunder, their Current term will be expiring at the ensuing 10th AGM.

The Audit Committee of the Company has proposed and on 9 August 2018 the Board has recommended the appointment of B.S.R & Associates LLP, Chartered Accountants as the statutory Auditors of the Company, they shall hold office for a period of 5 consecutive years from the conclusion of the 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting to be held in 2023.

Therefore, Shareholders are requested to consider and if thought fit to pass the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s B.S.R & Associates LLP, Chartered Accountants (ICAI FRN: 116231W/W-100024), be and is hereby appointed as the Statutory Auditors of the Company pursuant to the proposal of the Audit Committee of the Board and recommendations of the Board, to hold office for a period of five consecutive years commencing from the financial year 2018-19, on a remuneration as may be determined by the Managing Director in consultation with the Auditors and that such remuneration be paid on a progressive billing basis."

B. SPECIAL BUSINESS:

Item No.4: Issue of Non-Convertible Debentures on Private Placement Basis for an amount not exceeding Rs 300 Crores (Three Hundred Crores Only) for repayment of existing debts pursuant to Section 42 and 71 of the Companies Act, 2013:

To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 42 and 71 of the Companies Act, 2013 ('the Act'), Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and the rules, regulations, guidelines and circulars, as amended from time to time, the Memorandum and Articles of Association of the Company and subject to such other approvals as may be required from regulatory authorities from time to time, consent of the Members be and is hereby accorded to the Board of Directors/ Committee of Directors to offer, issue and allot, in one or more tranches, Secured or Unsecured Non-convertible Debentures/ Bonds on private placement basis during the Financial Year 2018-2019, for an amount not exceeding Rs. 300,00,00,000/- (Rupees Three Hundred Crores) for repayment of existing debts, only on such terms and conditions and at such times at par or at such premium, as may be decided by the Board/Committee of Directors to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/ provident funds and individuals, as the case may be or such other person/persons as the Board/Committee of Directors may decide so, however that the aggregate amount of funds to be raised by issue of Non-convertible Debentures/Bonds shall not exceed Rs 300 Crores."

"RESOLVED FURTHER THAT in connection with the above, the Board/Committee of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.

By Order of the Board
For **Coffee Day Enterprises Limited**
Date: 09 August, 2018
Registered Office:
23/2, Coffee Day Square
Vittal Mallya Road
Bangalore (KA) - 560001
CIN: L55101KA2008PLC046866

Sd/-
Sadananda Poojary
Company Secretary & Compliance Officer
FCS: 5223

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL IN HIS/HER STEAD AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, PARTNERSHIP FIRMS ETC. MUST BE ACCOMPANIED BY APPROPRIATE RESOLUTION/AUTHORITY AS APPLICABLE, ISSUED ON BEHALF OF THE NOMINATING ORGANIZATION.
   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. IN CASE OF JOINT HOLDERS ATTENDING THE MEETING, ONLY SUCH JOINT HOLDER WHO IS HIGHER IN THE ORDER OF NAMES WILL BE ENTITLED TO VOTE.
2. A statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of Special Business under 'Item No. 4' is annexed hereto.
3. The additional details of Director in respect of 'Item no. 2' pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "LODR") and the Secretarial Standards (SS-2 effective from 01st October, 2017) issued by the Institute of Company Secretaries of India (ICSI), are annexed hereto.
4. Change of Address:
   I. Members holding shares in 'Demat form' are requested to intimate immediately any change, if any, in their registered address along with the pin code or bank mandates to their depository participants with whom they have Demat accounts. The Company or Registrar and Share Transfer Agents cannot act on any request received directly from the members holding shares in electronic form in this regard.
   II. Members holding shares in 'physical form' are requested to intimate immediately any change, if any, in their registered address along with the pin code or bank mandates to the Company or the Registrar and Share Transfer Agents.
5. Submission of PAN:
   I. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Accordingly, members holding shares in 'Demat form' are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat account(s).
   II. Members holding shares in 'physical form' can submit their PAN to the Company or the Registrar and Share Transfer Agents.
6. Members seeking any information or clarifications about the Financial Statements for the financial year 2017-18 to be approved at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the documents relating thereto may be made available, if the Chairman permits such information to be furnished.
7. Members may also note that the Notice of the 10th Annual General Meeting and the Annual Report for the financial year 2017-18 will be available on the Company's website i.e. www.coffeeday.com.
8. The Company has designated an exclusive E-mail Id viz., investors@coffeeday.com to enable investors to register their complaints/queries, if any.
9. The Annual Report of the Company for the financial year ended March 31, 2018 along with AGM Notice, process and manner of remote e-voting, Attendance Slip and Proxy form are being sent by e-mail to those members who have registered their e-mail address with the Company or with their Depository Participant or Registrar and Share Transfer Agents of the Company. The members who have not registered their e-mail address are requested to register the same with the respective Depository Participant or Registrar and Share Transfer Agents to support the 'Green initiative' in good Corporate Governance practice. However, members who still desire to have a physical copy of the Annual Report 2017-18 should send a request to the Company's e-mail id viz., investors@coffeeday.com

clearly mentioning their Folio number/DP and Client ID.

10. The relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and Bank Holidays during business hours (i.e. 09:00 a.m. to 06:00 p.m.) of the Company up to the date of this Annual general Meeting.
11. Voting through Electronic means:
    Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 and Rule 21 of the Companies (Management and Administration) Amendment Rules, 2016, the Company is pleased to provide the members facility to exercise their right to vote at the 10th Annual General Meeting by electronic means and the business set out in the Notice of this meeting, may be transacted through e-voting services provided by National Securities Depository Limited (NSDL). In accordance with the Regulation 44 of SEBI (LODR) Regulations, 2015, the Company has also provided the facility for voting through physical ballot for members who does not have access to internet. Facility for voting through 'tablet' will also be provided to the members at the Meeting who have not cast their vote either through Ballot Paper or e-Voting. Complete instructions for e-voting including details of Login Id, process for generating or receiving password and for casting vote in secured manner are annexed to this Notice.
12. Information and other instructions relating to remote e-voting are as under:
    I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2016 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 10th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
    II. The facility for voting through 'tablet' shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Tablet.
    III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
    IV. The e-voting period commences on 24th September, 2018 (9:00 am) and ends on 26th September, 2018 (5:00 pm). During this period, members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 20 September 2018, may cast their vote by remote e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
    V. The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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

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

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1.Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2.Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3.A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4.Your User ID details are given below :

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

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
   (i) If your email ID is registered in your Demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
   (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to harshavardhan@hrbandco.in with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

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

VI. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

VII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20th September, 2018.

VIII. 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. 20th September, 2018, 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.

IX. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

X. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through tablet.

XI. Mr. Harshavardhan R. Boratti, Company Secretary in practice (FCS M. No.: 9490) M/s HRB & Co., has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of tablet for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XIII. The Scrutinizer, shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XIV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.coffeeday.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai and the National Stock Exchange of India Limited.

ADDITIONAL DETAILS OF DIRECTOR W.R.T. 'ITEM NO. 2' OF THE NOTICE SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING OF THE COMPANY [PURSUANT TO REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015 AND SS-2 ISSUED BY ICSI]

Name of the Director	Sanjay Omprakash Nayar
Date of Birth/Age	13.10.1960/57 Years
Date of Appointment on the Board	30.03.2010
Qualification	B.E; PGDM
Brief profile and nature of the expertise in specific functional areas	Sanjay Omprakash Nayar (Mumbai) is a Non-Executive Director of our Company. He joined KKR in 2009 and is a Member and CEO of KKR India. He is also a member of the Asia Portfolio Management Committee and Asian Investment Committee. He is on the board of KKR's portfolio companies, Radiant Healthcare, Bharti Infratel, Coffee Day Holdings, and has had significant involvement with KKR's investment in Apollo Hospitals. He also supports expanding the range of KKR's credit and capital markets offerings across the region. Prior to joining KKR, he served as CEO of Citigroup's Indian and South Asian operations and as a member of Citigroup's Management Committee and Asia Executive Operating Committee. Currently, he is a member of the board of USISPF, and SEBI's NISM Board of Governors. Serves on the Board of Emerging Markets Private Equity Association (EMPEA), Washington D.C; and Indian School of Business (ISB); and Founding Member of Brookings, Mr. Nayar was the deputy Chairman of the Indian Banks Association (IBA); the Committee of the Reserve Bank of India tasked with building a Centre for Advanced Financial Learning (CAFRAL); Co-Chairman of the Banking Committee for the Federation of Indian Chambers of Commerce and Industry (FICCI). He also served as the Chairman of the Indian Private Venture Capital Association.
Directorship held in other Companies	20*
Memberships/ Chairmanships of Committees across all other listed Companies	Nil
Shareholding in the Company	Nil

*List of Companies being part of Corporate Governance Report

EXPLANATORY STATEMENT TO BE ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

The NCD'S/ Bonds/ other instruments including commercial paper issued on private placement basis are one of the important and cost effective sources of borrowing of the Company. The Company during the previous year has not availed the limit and with the intention to restructure its debt capital by repaying the existing debt, may raise NCD's during F.Y. 2018-19. The Board of Directors of the Company at its meeting held on 09th August, 2018 subject to the approval of Members in the general meeting proposed to issue Non-Convertible Debentures/ Bonds to various person(s) on private placement basis, on such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any and as may be finalized by the Board and/or Committee of Directors. The amount to be raised by way of issue of Non-Convertible Debentures on a private placement basis however shall not exceed Rs. 300,00,00,000/- (Rs. Three Hundred Crores) only in aggregate. It may be noted that Section 42 of the Companies Act, 2013 and Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014, allows a Company to pass a special resolution once in a year for all the offer or invitation for Non-Convertible

debentures to be made during the year through a private placement basis in one or more tranches.

The consent of the Members is, therefore, sought in connection with the aforesaid issue of debentures/bonds from time to time and they are requested to authorize the Board (including any Committee of the Board) to issue Non-convertible Debentures/ Bonds during the F.Y. 2018-19 on private placement basis up to Rs. 300 Crores as stipulated above, in one or more tranches.

The approval of the members is therefore sought for issue of Debentures, on a private placement basis, in 1 (One) or more series, for a period of 1 (One) year from the date of passing the resolution, on following terms and conditions:

a) Particulars of the offer including date of passing of Board resolution: Not applicable;

b) Kinds of securities offered and price at which security is being offered: as may be determined by the Board of Directors (or any other person authorized by the Board of Directors), at the prevailing market condition from time to time;

c) Basis or justification for the price (including premium, if any) at which offer or invitation is being made: Not applicable;

d) Name and address of valuer who performed valuation: Not applicable;

e) Amount which the company intends to raise by way of such securities: upto Rs. 300 crores by issue of Debentures in 1 (One) or more series, on private placement basis

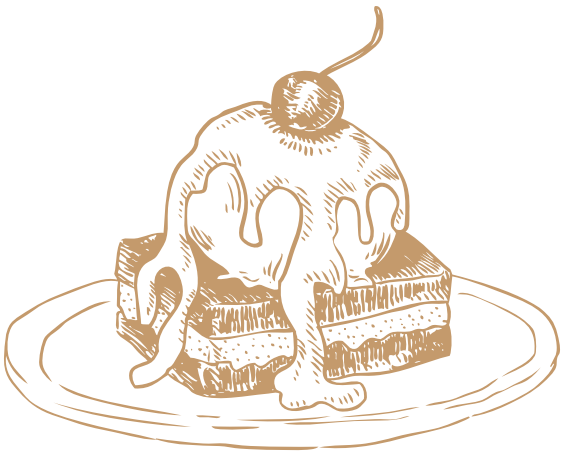
Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities: as may be determined by the Board of Directors (or any other person authorized by the Board of Directors) from time to time;

The Board recommends the Special Resolution set forth in Item No. 4 of the Notice for approval of the Members. None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

By Order of the Board
For Coffee Day Enterprises Limited
Date: 09th August, 2018

Registered Office:
23/2, Coffee Day Square
Vittal Mallya Road
Bangalore (KA) - 560001
CIN: L55101KA2008PLC046866

Sd/-
Sadananda Poojary
Company Secretary & Compliance Officer
FCS: 5223





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COFFEE DAY ENTERPRISES LIMITED

CIN: L55101KA2008PLC046866
Regd. Office: 23/2, Coffee Day Square, Vittal Mallya Road Bengaluru-560001
Phone: +91 (80) 40012345; Fax: +91 (80) 40012987
Website: www.coffeeday.com, E-mail: investors@coffeeday.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member	
Registered Address	
E-Mail ID	
Folio No./DP ID-Client ID	

I/We being the member(s) holding _____ shares of above named Company, hereby appoint:

Name:_____Address:_____

E-mail ID_____Signature: _____

Or failing him/her

Name:_____Address:_____

E-mail ID_____Signature: _____

Or failing him/her

Name:_____Address:_____

E-mail ID_____Signature: _____

as my / our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 10th Annual General Meeting of the Company to be held on 27th day of September 2018 at "Café Coffee Day, Global village, RVCE Post, Mysore Road, Mylasandra, Bangalore-560059" and at any adjournment thereof in respect of such resolutions as are indicated below:

Serial No.	Resolutions	For	Against
1.	Adoption of Financial Statements and Reports of the Board of Directors and the Auditors thereon.		
2.	Re-appointment of Mr. Sanjay Omprakash Nayar as Director liable to retire by rotation.		
3.	Appointment of Auditors, M/s B.S.R & Associates LLP, Chartered Accountants, (ICAI Regn No. 116231W/W-100024), as Statutory Auditors.		
4.	Issue of Non-Convertible Debentures on Private Placement Basis.		

Signed this _____ day of _____ 2018

Signature of Member(s): _____

Signature of Proxy holder(s): _____

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Statement setting out material facts thereon and notes please refer to the Notice of the 10th Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

COFFEE DAY ENTERPRISES LIMITED

CIN: L55101KA2008PLC046866
Regd. Office: 23/2, Coffee Day Square, Vittal Mallya Road Bengaluru-560001
Phone: +91 (80) 40012345; Fax: +91 (80) 40012987
Website: www.coffeeday.com, E-mail: investors@coffeeday.com

ATTENDANCE SLIP

NAME & ADDRESS OF THE SHAREHOLDER	FOLIO NO.:
	DP ID:
	CLIENT ID:
	NO. OF SHARES

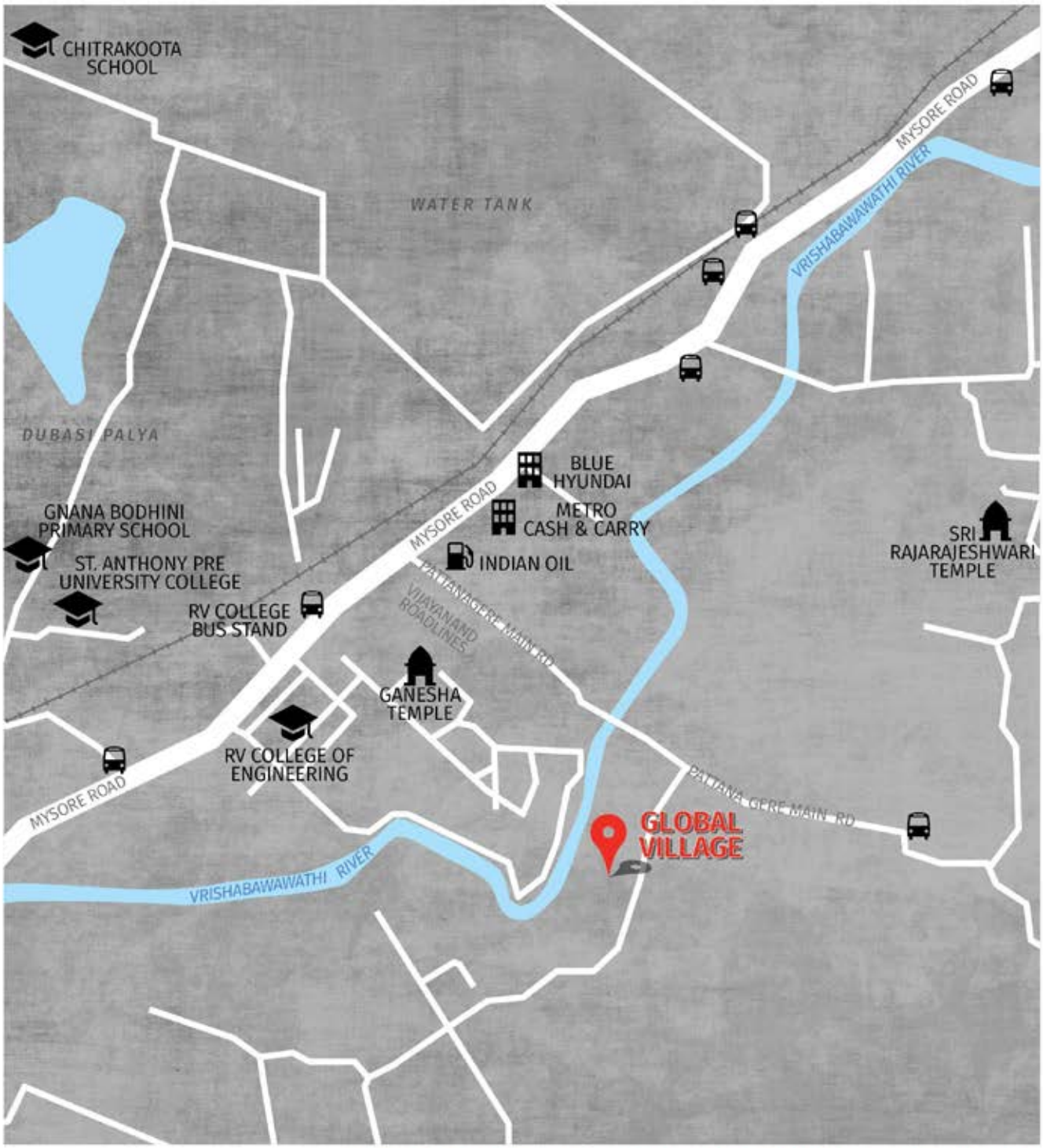
I hereby record my presence at the 10th Annual general Meeting of the Company at Café Coffee Day, Global village, RVCE Post, Mysore Road, Mylasandra, Bangalore-560059 on 27th day of September 2018.

NAME OF THE SHAREHOLDER/PROXY	SIGNATURE OF THE SHAREHOLDER/PROXY

*Strike out whichever is not applicable

ROUTE MAP

Global Village
Café Coffee Day,
RVCE Post, Mysore Road,
Mylasandra, Bangalore 560059
Karnataka



* TRANSPORT FACILITY WILL BE ARRANGED FROM 10:15 AM TO 10:45 AM ON AGM DATE, FROM NAYANDAHALLI METRO STATION TO REACH THE VENUE

Notes

Notes

COFFEE DAY

www.coffeeday.com



23/2, Coffee Day Square, Vittal Mallya Road, Bengaluru 560001, Karnataka, India