**Date: 24th August 2026**

**To,**

| The National Stock Exchange of India Limited | BSE Limited |
|---|---|
| Manager-Listing | General Manager-DSC |
| Exchange Plaza, Bandra Kurla Complex | Phiroze Jeejeebhoy Towers |
| Bandra (East) Mumbai - 400 051 | Dalal Street, Fort, Mumbai - 400 001 |
| Tel No.: 022-2659 8237/38 | Tel No.: 022-2272 2039 |
| Symbol: **COFFEEDAY** | Scrip Code: **539436** |

Dear Sir/ Madam,

**Sub:** Notice of 18th Annual General Meeting (AGM) and Annual Report for Financial Year 2025-26

**Ref**: Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice of the 18th Annual General Meeting ("AGM") and the Annual Report for the Financial Year 2025-26. The same is available on the Company's website on the following links:

**Annual Report:**

https://coffeeday.com/Stakeholders/Annual_Report/CDEL_Annual_Report_2026.pdf

**Notice:**

https://coffeeday.com/Stakeholders/Notice/Notice_of_Annual_General_Meeting_and_Extraordinary_General_meeting/CDEL_AGM_Notice_2026.pdf

The Schedule of the AGM is follows:

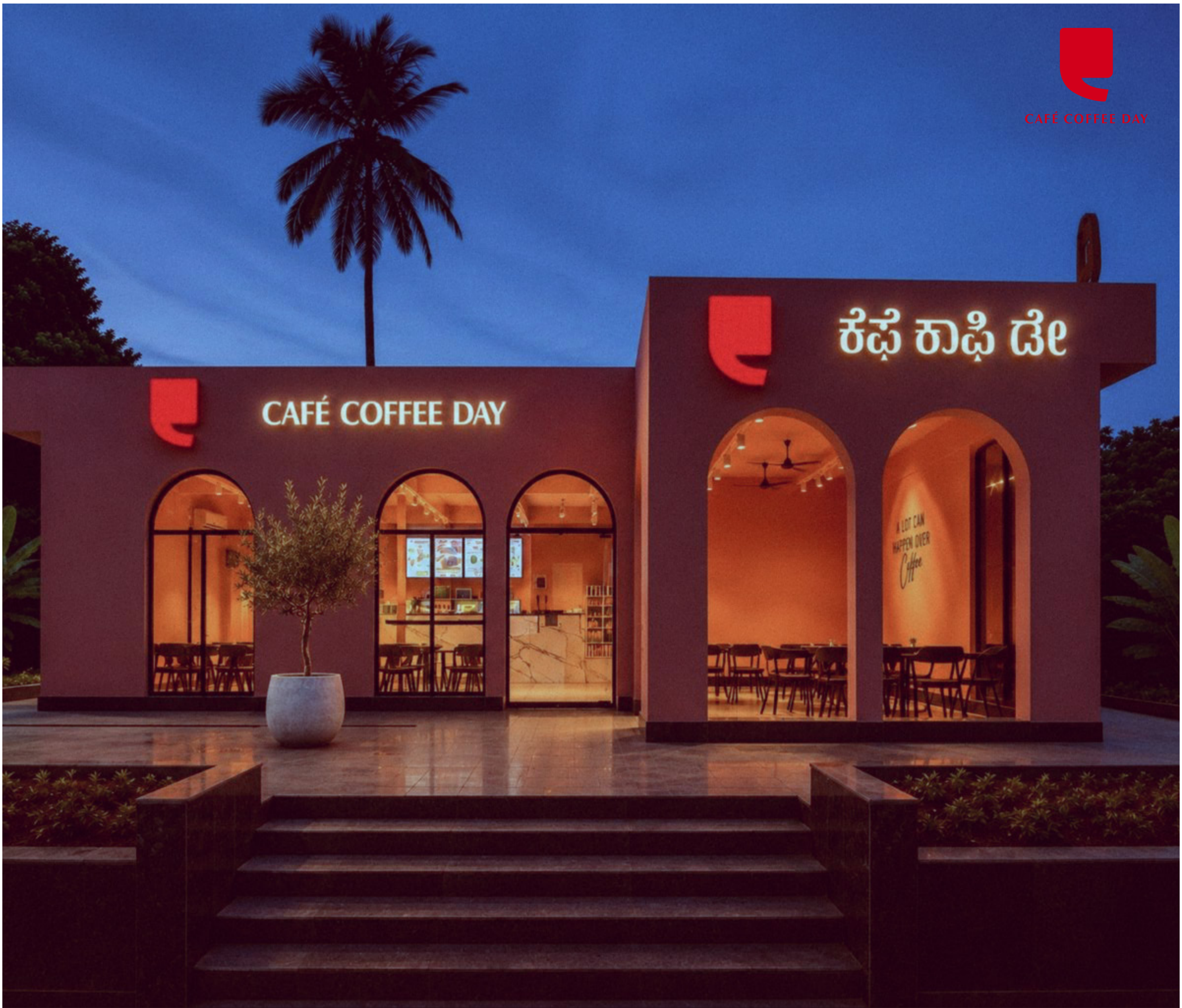
| Particulars | Date and Time |
|---|---|
| Cut-off date for e-voting | 14th September 2026 |
| Commencement of e-voting | 16th September 2026 at 09:00 A.M. (IST) |
| End of e-voting | 20th September 2026 at 05:00 P.M. (IST) |
| AGM date | 21st September 2026 at 11:00 A.M. (IST) |

Kindly take the same on record.

*For* **Coffee Day Enterprises Limited**

SADANAND A POOJARY
Digitally signed by SADANANDA POOJARY
Date: 2026.08.24 14:43:35 +05'30'

**Sadananda Poojary**
Company Secretary and Compliance Officer
Mem No.:F5223




# 2026

# ANNUAL REPORT

COFFEE DAY ENTERPRISES LIMITED

## WHAT'S BREWING INSIDE

## CORPORATE INFORMATION

**BOARD OF DIRECTORS**

Mrs. MALAVIKA HEGDE
*(Chief Executive Officer, Whole-time Director, Chairperson)*

Mr. K.R. MOHAN
(*Non-Executive Independent Director*)

Dr. C. H. VASUNDHARADEVI
(*Non-Executive, Woman Independent Director)*

Mr. Chandrashekar Rao Bokkasa
*(Non-Executive Independent Director*

Dr. I. R. RAVISH
*(Non-Executive Director)*

Mrs. Sowrabhi Sandeep
*(Non-Executive Director)*

**Chief Financial Officer**
Mr. R Ram Mohan

**Company Secretary and Compliance Officer**
Mr. Sadananda Poojary

## COMMITTEES AND COMPOSITION

| Audit Committee | Nomination & Remuneration Committee |
|---|---|
| 1. Mr. K.R. Mohan (Chairman)<br>2. Mr. Chandrashekar Rao Bokkasa<br>3. Mrs. Malavika Hegde | 1. Mr. K. R. Mohan - (Chairman)<br>2. Dr. I R Ravish<br>3. Dr. C. H. Vasundharadevi |
| **Stakeholders Relationship Committee** | **Corporate Social Responsibility Committee** |
| 1. Mr. K.R.Mohan (Chairman)<br>2. Dr. I R Ravish<br>3. Mrs. Malavika Hegde | 1. Dr. I R Ravish - (Chairman)<br>2. Mrs. Malavika Hegde<br>3. Mr. K.R. Mohan |
| **Risk Management Committee** | |
| 1. Dr. I R Ravish - (Chairman)<br>2. Mrs. Malavika Hegde<br>3. Mr. K.R.Mohan | |

## REGISTERED OFFICE OF THE COMPANY

No. 165, R.V. Road (Near Minerva Circle)
Bengaluru-560004

## AUDITORS

**Statutory Auditors**

M/s. Venkatesh & Co
Chartered Accountants
Chennai.

**Secretarial Auditors**

M/s. G. Akshay & Associates,
Practicing Company Secretaries
Bangalore

**Internal Auditors**

M/s. ABS & Co
Chartered Accountants
Bengaluru

**Registrar and Share Transfer Agent**
MUFG Intime India Private Limited
C 101, Embassy 247,
LBS Marg, Vikhroli (West),
Mumbai (MH) – 400083
Tel: +91 22 4918 6000
Email: mumbai@in.mpms.mufg.com

# BOARD'S REPORT

# BOARD's REPORT

**For the financial year ended 31 March 2026**

**COFFEE DAY ENTERPRISES LIMITED**

## Dear Members,

Your Directors present herewith the 18th Annual Report on business and operations of the company together with the Audited financial statements and the Auditor's report for the year ended 31 March 2026.

## Financial Highlights

The financial highlights for FY 2025-26 and FY 2024-25 are set out below:

*(Amount in ₹ Crores)*

| Particulars | Coffee Day Enterprises Limited | | Coffee Day Enterprises Limited | | Coffee Day Global Limited | |
|---|---|---|---|---|---|---|
| | Standalone | | Consolidated | | Consolidated | |
| | FY 26 | FY 25 | FY 26 | FY 25 | FY 26 | FY 25 |
| **Net Operational Revenue** | 20 | 20 | 1116 | 1078 | 1094 | 1,035 |
| Finance charges | 12 | 15 | 92 | 110 | 69 | 77 |
| Depreciation | 1 | 1 | 130 | 125 | 129 | 124 |
| Profit/(Loss) Before Tax | **174** | **(242)** | **199** | **(12)** | **4** | **(48)** |
| Income Tax | - | - | (12) | 131 | (10) | 128 |
| Total Profit/ (Loss) attributable to the Owners of the Company. | **174** | **(242)** | **203** | **(58)** | **14** | **(176)** |

## Performance Overview:

During the financial year ended 31 March 2026, the consolidated Net Operational Revenue increased to ₹1,116 Crores from ₹1,078 Crores in FY 2024-25, representing an increase of approximately 3.5% (rounded to 4%)

## State of The Company's Affairs:

The state of affairs of the Company forms an integral part of the Management Discussion and Analysis Report forming part of this Annual Report.

## Dividend:

The Board of Directors of the Company has not recommend any dividend for the financial year 2025-26

## 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 2025-26.

## Deposits:

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

## Particulars of Loans, Guarantees or Investments:

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

## Subsidiaries, Joint Ventures and Associate Companies:

As at 31 March 2026, the Company had 14 subsidiaries (including step-down subsidiaries), 5 associate companies and 3 joint ventures. Details of the subsidiaries, including entities which are yet to commence operations and entities that have been liquidated or sold during the year, together with the salient features of their financial statements, are set out in e-Form AOC-1 annexed to this Report as Annexure VI.

In accordance with Section 136(1) of the Act, the financial statements of the subsidiary companies are available for inspection by the Members at the registered office of the Company and are also available on the Company's website, subject to the applicable statutory requirements.

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 at the Company's official website and may be accessed at the link : https://coffeeday.com/Stakeholders/Policies/Material_Subsidiary.pdf

### Management Discussion & Analysis Report:

Pursuant to Regulation 34(2)(e) of the Listing Regulations, the Management Discussion and Analysis Report forms part of this Annual Report and is annexed as Annexure I.

### Corporate Governance:

The Report on Corporate Governance, together with the applicable certificate from the Practicing Company Secretary, forms part of this Annual Report and is annexed as Annexure II.

### Dividend Distribution Policy:

The Company has adopted a Dividend Distribution Policy in accordance with the applicable provisions of Regulation 43A of the Listing Regulations. The policy seeks to balance the quantum of dividend distributed to shareholders with the profits retained for the Company's commercial and business requirements.

The said policy is available in the website of the company and may be accessed at the link: https://coffeeday.com/Stakeholders/Policies/DDP-CDEL.pdf

### Board Diversity:

The Company recognises and embraces the importance of diversity in the composition of its Board. The Board believes that diversity in thought, perspective, knowledge and industry experience contributes to effective decision-making and sustainable competitive strength. The Company has adopted a Board Diversity Policy, which is available on its website via link: https://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 Act and the applicable provisions of the Listing Regulations, the Nomination and Remuneration Committee has specified the criteria and manner for evaluation of the performance of the Board, its Committees and individual Directors.

During the financial year, the performance of the Board, its Committees and individual Directors was evaluated in accordance with the applicable provisions of the Act and the Listing Regulations. The Board's evaluation covered, inter alia, Board composition and structure, strategic discussions, effectiveness of reviews and processes, engagement with senior management and overall functioning. The performance of the Committees was evaluated based on their composition, effectiveness in discharging their functions and the quality of recommendations made. Individual Directors were evaluated with reference to factors including integrity, commitment and ability to exercise independent judgment. The feedback was considered by the Board and appropriate action points for improvement were identified and implemented, wherever considered necessary.

Pursuant to Regulation 25 of SEBI Listing Regulations, in a separate meeting of Independent directors held on 12 February 2026, to performance of Non Independent Director, the board as a whole and the Chairperson of the company was evaluated considering the views of Executive and Non- Executive Directors.

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 at the Company's official website at the following link: https://www.coffeeday.com/PDF/NOMINATION%20&%20REMUNERATION%20POLICY.pdf

**Appointment/ Resignation/ Re-appointment of Board of Directors:**

In accordance with the requirements of the Act and the Company's Articles of Association, Mrs. Sowrabhi Ramadas (DIN: 11002032) retires by rotation and is eligible for re- appointment. The resolution seeking Members' approval for her re-appointment forms part of the Notice convening the ensuing Annual General Meeting.

**Significant Development during the year and update on action taken on recovery of amount due by Mysore Amalgamated Coffee Estates Limited ("MACEL") to subsidiaries of the Company as per SEBI order dated 24 January 2023**

The Company, received Order from SEBI dated 24 January 2023, directing the Company to take all the necessary steps for recovery of dues from MACEL and its related entities along with due interest, that are outstanding to the subsidiaries of CDEL. Further, as per the order of SEBI the Company on 3 April 2023 appointed Crest Law Partners (Independent Law firm) in consultation with NSE to take effective steps for recovery of dues.

SEBI also imposed monetary penalties aggregating to ₹26 Crores under Sections 15HA and 15HB of the SEBI Act, 1992. The Company appealed against the said order before the Hon'ble Securities Appellate Tribunal ("SAT"), which granted a stay on the imposition of the penalty.

Thereafter, under the guidance and supervision of CrestLaw Partners, with the prior approval of NSE and with the consent/acceptance of all the parties to the dispute, it was decided to resolve the dispute through Arbitral proceedings under the Arbitration and Conciliation Act, 1996 for recovery of money from MACEL and other related entities.

Further, all the parties to the dispute approved for appointment of Hon'ble Justice Sri Ajit J. Gunjal, Former Judge, High Court of Karnataka as the Sole Arbitrator in respect of SEBI's Order dated 24 January 2023.

The arbitration proceedings are in progress as at the date of this Report.

Further, vide its order dated 7 July 2025, the Securities Appellate Tribunal (SAT) extended, the period mentioned in paragraph 73(f) of SEBI order dated 24 January 2023 by a further period of six months.

## Director's Responsibility Statement:

In compliance with Section 134(5) of the Act, the Board of Directors confirms that:

- The applicable accounting standards have been followed in the preparation of the annual accounts, along with proper explanation relating to material departures, wherever applicable.
- The accounting policies have been selected and applied consistently and judgments and estimates made 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 or loss of the Company for that period.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively, subject to the matters specifically disclosed in the Auditors' Reports and the accompanying financial statements.

The Board is also responsible for establishing and maintaining adequate internal financial controls with reference to financial statements and for ensuring their effectiveness. Based on the assessment carried out by the management, the internal financial controls were operating effectively as at 31 March 2026, subject to the matters, if any, specifically reported by the Statutory Auditors.

## Declaration by Independent Directors:

The Independent Directors have furnished the requisite declarations confirming that they meet the criteria of independence prescribed under Section 149(6) of the Act read with Regulation 16(1)(b)he SEBI Listing Regulations. In the opinion of the Board, they fulfil the conditions of independence specified under the Act and the Listing Regulations and are independent of the management.

## Committees of the Board:

The Company has constituted five Committees of the Board i.e.:

(a.) Audit Committee

(b.) Nomination and Remuneration Committee

(c.) Stakeholder's Relationship Committee

(d.) Corporate Social Responsibility Committee and

(e.) Risk Management Committee

Details relating to the composition, terms of reference, meetings and attendance of these Committees are provided in the Corporate Governance Report forming part of this Annual Report.

### Meetings of the Board:

During the financial year 2025-26, 8(eight) meetings of the Board of Directors were held. 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 the repetitive Related Party Transactions that were entered into during the FY 2025-26 were, to the extent applicable, 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.

Further, Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the Form AOC-2 have been enclosed as **Annexure-VII** pursuant to clause (h) of subsection (3) of Section 134 of Companies Act, 2013 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: https://www.coffeeday.com/PDF/RPT%20POLICY.pdf

### Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report, except as specifically disclosed in this Annual Report and the Audited Financial Statements.

### Change in nature of business:

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

## Conservation of Energy, Research and Development, Technology absorption, Foreign Exchange Earnings & Outgo(standalone):

The information required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is provided in Annexure III to this Annual Report.

## Disclosure under Maternity Benefit Act, 1961/ Code on Social Security, 2020

The Company is in compliance with the applicable provisions relating to maternity benefits as prescribed under the Maternity Benefit Act, 1961/ the Code on Social Security, 2020.

## AUDITORS:

### a) Statutory Auditors:

The Members of the Company at the 17th Annual General Meeting ("AGM") held on 18th September 2025 had reappointed M/s. Venkatesh & Co., Chartered Accountants (Firm Registration No. FRN 004636S), as the Statutory Auditors of the Company for a period of five (5) consecutive years to hold office from the conclusion of the 17th AGM until the conclusion of the 22nd AGM, to be held in the year 2030.

### b) Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, on the recommendation of the Audit Committee, appointed M/s. G. Akshay & Associates, Practicing Company Secretaries (Firm Registration No S2018KR612500) as the Secretarial Auditors of the Company for a term of five consecutive financial years commencing from FY 2025-26.

The Secretarial Audit Report for the financial year ended March 31, 2026 issued by. M/s G. Akshay & Associates, Practicing Company Secretaries (Firm Registration No: S2018KR612500) is annexed to this Report as "**Annexure-IV**" (*including Secretarial Audit Reports of material subsidiaries i.e Coffee Day Global Limited (CDGL), Coffee Day Trading Limited(CDTL) and Tanglin Developments Limited(TDL)*).

### 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:

During the year under review there were no significant and material orders passed/notices served by Courts/Regulators except the following:

1. With reference to the order dated 24 January 2023, the Hon'ble Securities Appellate Tribunal (SAT), Mumbai, vide its order dated 3 March 2023, granted a stay on the recovery of the penalty of ₹26 crore imposed by the Securities and Exchange Board of India (SEBI) under Sections 15HA and 15HB of the SEBI Act, 1992.

   Further, vide its order dated 7 July 2025, the Securities Appellate Tribunal (SAT) extended, the period mentioned in paragraph 73(f) of SEBI order dated 24 January 2023 by a further period of six months.

2. During the year, the Company received an Adjudication Order dated March 2, 2026 from the Securities and Exchange Board of India (SEBI) under Section 15-I of the SEBI Act, 1992 in relation to alleged non-compliance with certain provisions of the SEBI Act, 1992 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to financial reporting and disclosures for the financial years 2020-21 to 2023-24. Pursuant to the said Order, a monetary penalty was imposed on the Company under Section 15HB of the SEBI Act, 1992.

   The Company continues to believe that its financial statements were prepared in compliance with the applicable provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards, and that adequate disclosures had been made in the financial statements. However, considering the time, cost and resources involved in pursuing appellate proceedings, the Company, as a matter of commercial prudence and without prejudice to its rights and contentions, has paid the monetary penalty. Such payment shall not be construed as an admission of the findings contained in the Adjudication Order. The said Order has no material impact on the financial position, operational performance, going concern status or future operations of the Company.

## Extract of Annual Return:

In terms of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Annual Return for the financial year ended 31 March 2026 (prepared in Form MGT-7) is available on the Company's website at: https://coffeeday.com/Stakeholders/Annual_Return/Annual_Return_2026.pdf

## Business Responsibility & Sustainability Report:

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to the Business Responsibility and Sustainability Report (BRSR), is not applicable for the current reporting period, as the Company is outside the top 1,000 listed companies by market capitalization as on 31 December 2025.

## 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 Company has established internal financial controls commensurate with its size, scale and nature of business. These controls are supported by documented policies, procedures and guidelines and are designed to provide reasonable assurance regarding the reliability of financial and operational information, compliance with applicable statutes, safeguarding of assets, prevention and detection of fraud, accuracy and completeness of accounting records and compliance with corporate policies.

Significant internal audit observations and management actions are reported to the Audit Committee on a quarterly basis. The Audit Committee reviews the adequacy of the corrective actions and monitors their implementation. Internal auditors undertake periodic follow-up of audit recommendations and the status is reported to the Audit Committee.

Based on the assessment performed by management for the year ended 31 March 2026, the internal control over financial reporting was considered effective, subject to the matters specifically referred to by the Statutory Auditors.

## Whistle Blower Policy/Vigil Mechanism:

As per the requirements laid down under Section 177(9) of the Act and Regulation 22 of the Listing Regulations, the Company has established the Whistle blower 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. It provides for direct access to Chairman of the Audit Committee . The practice of the Whistle blower Policy is overseen by the Audit Committee and its placed in the audit committee meeting every quarter . Further, no employee has been denied access to the Committee.

The Contact details of Chairman of Audit committee as under:

Name: Mr. K. R. Mohan
43 New No.22, 3rd Floor 16th Cross,
8th Main, Malleswaram
Bangalore Karnataka 560055
Contact No.: 080-67212345
Email id: investors@coffeedaygroup.com

The Whistle Blower Policy is available on the Company's official website and may be accessed through web link: https://coffeeday.com/PDF/WhistleBlower.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. Further, the Annual Report and the accounts are being sent to the members of the Company excluding the aforesaid statement. Pursuant to the provisions of Section 136(1) of the Act, the said statement is open for inspection at the registered office of the company and any member interested in obtaining a copy of the same may write to the Company Secretary of the Company.

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-V".**

## 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 Mrs. Malavika Hegde, Mr. K.R. Mohan as Members and Dr. I R Ravish as the Chairman, 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: https://coffeeday.com/Stakeholders/Policies/CSR-Policy-CDEL.pdf it lays down the purpose of formulation of the policy, areas of focus, composition of Committee and CSR budget.

During the year under Report, the Company was not required to spend any amount on CSR activities.

## Green Initiatives:

In keeping with the Company's commitment to environmental sustainability and green initiatives, electronic copies of the Notice of the 18th Annual General Meeting together with the Annual Report are sent to Members whose email addresses are registered with the Company and/or their Depository Participant(s), in accordance with applicable law.

## 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 Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Company has constituted an Internal Complaints Committee ("ICC") to inquire into complaints and recommend appropriate action.

The ICC comprises:

- Mrs. Bhavna Halappa – Presiding Officer
- Mrs. Arundhati Mukoo – Internal Member
- Mrs. G. Vanajakshi N – External Member

The details of complaints under the applicable disclosure requirements are as follows:

| Particulars | Number | Particulars | Number |
|---|---|---|---|
| Complaints received during the year | Nil | Complaints disposed of during the year | Nil |
| Complaints pending at the end of the year | Nil | Cases pending for more than 90 days | Nil |

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

The Board's responses to the qualifications, reservations, adverse remarks and disclaimers contained in the Independent Auditors' Reports for the year ended 31 March 2026 are set out below. The wording should be read together with the corresponding Notes to the Audited Financial Statements and the Auditors' Reports.

**A. Statutory Auditor's Qualification**

**I. Following are the Disclaimers given in the Consolidated Independent Auditors Report for the year ended 31 March 2026 and management response for the same.**

a. Attention is drawn to Note 65 of the consolidated financial statements wherein a final adjudication order dated 24.01.2023 has been served on the company under section 11 (11(4), 11(4A), 11B and 11B ( of the Securities and Exchange Board of India Act, 1992 read with Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 by SEBI imposed with a total monetary penalty of ₹ 26,00,00,000 (Rupees Twenty-Six Crore) under Section 15HA and Section 15HB of the SEBI Act, 1992 respectively on account of violations of provisions of Section 12A(a), (b) & (c) of the SEBI Act, 1992 read with Regulations 3(b), (c) & (d) and 4(1) of the PFUTP Regulations as stated in Para 59 and 60 of its order relating to the advances to MACEL by the subsidiaries of the Company. The company appealed against the above order dated 24th January 2023 to the Hon'ble Securities Appellate Tribunal (SAT) which granted stay on the imposition of penalty. Further, the Company has initiated arbitration proceedings against MACEL. These proceedings are updated to NSE and Board members of CDEL by legal firm Crest Law. In this regard the subsidiaries of the company have filed claim statement as part of arbitration proceedings.

   No provision is made in the books of accounts against the amount receivable from MACEL. In the absence of any conclusive evidence demonstrated by the company for recoverability of the same, we are unable to comment on the recoverability, requirement or otherwise of provision on those receivables and consequential impact on these financial statements.

   Further, we have in respect of 3 subsidiaries and 2 step-down subsidiaries, based on our review, have issued a disclaimer of opinion due to the possible impact of the recoverability of dues from MACEL. Hence, we are unable to comment on the recoverability of amount due from MACEL amounting to ₹ 3,357.13 Crores to the group as a whole.

Similarly in the case of one other subsidiary, the other auditor has issued a disclaimer of opinion due to the possible impact of the recoverability of dues from MACEL.

**Management response:**

The company appealed the above order dated 24th January 2023 to the Hon'ble Securities Appellate Tribunal (SAT). However, the SAT granted stay on imposition of penalty.

As per the instructions of NSE the Company appointed Independent Law Firm Crest Law on 3rd April 2023 to take effective steps for recovery of dues from MACEL.

Subsidiaries of the company has initiated arbitration proceedings against MACEL. In this regard the subsidiaries of the company has filed claim statement as part of arbitration proceedings.

Under the above circumstances, no provision is made in the books of accounts against the amount receivable from MACEL.

As on 31 March 2026 the amount due by MACEL to various subsidiaries and joint venture of the company amounts ₹ 3,357.13 crores.

b. In respect of the Holding Company and some of the subsidiaries, there are instances of non-compliance with certain debt covenants including interest & principal repayment defaults have been described. We also draw attention to the fact that the Holding Company has not obtained the balance confirmations on loans from two lenders amounting to ₹ 76.98 crores. We have been informed that during the previous years, certain lenders have exercised their right to recall the loan (refer Note 23, Note 23A and Note 29 of the consolidated financial statements). In the absence of adequate and sufficient audit evidence to establish the amounts payable to the lenders, we are unable to provide our opinion on the correctness of these amounts reflected in the consolidated financial statements and also on their consequential impact and potential tax liabilities.

**Management response:**

Coffee Day Global Limited(subsidiary) company has recognised interest @8.50% as per restructuring plan and letter receive from the lenders where they have agreed interest payable is @8.5%.

Management is following up with lenders to get the balance confirmations. This will be taken care of during one time settlement process.

c. The Consolidated Financial Statements of the Group have been prepared by the Management and Board of Directors using the going concern assumption in view of the positive net-worth of the Group (refer Note 57 of the Consolidated Financial Statements). The matters detailed in the above paragraphs may have a consequential implication on the Group's ability to continue as a going concern. We have expressed the same in the reports of two subsidiaries and three step-down subsidiaries. Further, the auditors of one subsidiary and two step-down subsidiaries have also expressed material uncertainty over going concern in their reports.

**Management response:**

The consolidated financial statements for the year ended 31 March 2026 have been prepared on a going concern basis in view of the positive net worth of the Group amounting to ₹ 3,156.30 crores as of 31 March 2026.

d. We draw attention to Note No.13 of the consolidated financial statements wherein in one subsidiary, there are doubts on the recoverability of capital advance dues aggregating to ₹ 275 Crores. An agreement for the purchase of land at Mumbai had been entered into which has been acquired by City & Industrial Development Corporation (CIDCO) nodal agency for acquiring land for Navi Mumbai International Airport. CIDCO has proposed alternative land in lieu of the acquisition of land. However, the party has filed legal case for monetary compensation instead of alternate land. Hence, we are unable to comment on the recoverability of amount due.

**Management response:**

An agreement for purchase of land at Mumbai had been entered into by the Tanglin Developments Limited (subsidiary) with Mrs.Vasanthi Hegde in FY 2017-18. Based on agreement to purchase the land the Tanglin Developments Limited (subsidiary) has advanced ₹ 275 Crores to Mrs.Vasanthi Hegde. The land in the name of Mrs.Vasanthi Hegde has been acquired by City & Industrial Development Corporation (CIDCO) nodal agency for acquiring land for Navi Mumbai International Airport. CIDCO has proposed alternative land in lieu of the acquisition of land. However Mrs.Vasanthi Hegde has filed legal case for monetary compensation instead of alternate land. The Matter is pending under legal dispute pending for conclusion.

e. One of the subsidiary's of the company has not recognized a financial guarantee given to erstwhile subsidiary SICAL amounting to ₹ 41.67 Crores, which has been invoked by the lenders. Due to the proposed restructuring plan with the lender regarding a settlement, we are unable to assess the impact of this matter on the financial statement. Accordingly, the level of compliance with the Indian Accounting Standards cannot be ascertained by us.

**Management response:**

As the Coffee Day Global Limited(subsidiary) is in the process of restructuring of the debt, once the debt is restructured the respective corporate guarantee liabilities will be given effect in the financial statements to the extent required

f. We have highlighted in one subsidiary that the Company is currently undergoing a corporate restructuring process with its lenders, as detailed in Note No.58 of the consolidated financial statements. This restructuring involves realigning the company's debt and interest obligations in accordance with the proposed plan, which remains pending for necessary approvals. The company has not recognized the impact of exchange fluctuation difference for the External commercial borrowings from one lender who are also a part of the proposed restructuring plan. The conversion of the foreign currency loan into rupee loans as well as applicable interest rate of 8.50% is subject to the necessary approval of the Reserve Bank of India. Pending final execution of the restructuring plan and pending necessary approvals from the RBI for the conversion of foreign currency loan, we are unable to comment on the completeness of the loan balances and its impact in these consolidated financial statements

**Management response:**

Coffee Day Global Limited(subsidiary) company has recognised interest @8.50% as per restructuring plan and letter receive from the lenders where they have agreed interest payable is @8.5%.

Management is following up with lenders to get the balance confirmations. This will be taken care of during one time settlement process.

**II. Following are the Disclaimers given in the Standalone Independent Auditors Report for the year ended 31st March 2026 and management response for the same.**

a. We have not been provided with sufficient evidence with respect to recoverability of dues from group companies amounting to ₹ 1,444.38 Crores (refer Note 7B of the standalone financial statements). We are therefore unable to comment on the recoverability of the stated balance from group companies and the impact on the standalone financial statements.

**Management response:**

The company is confident to collect the dues from group companies on realization of receivables by the group companies. During the year company has made recoveries from subsidiaries and repaid to the lenders of the company.

b. Attention is drawn to Note 14 of the standalone financial statements, wherein instances of non-compliance with certain debt covenants including interest & principal repayment defaults have been described. We also draw attention to the fact that the Company has not obtained the balance confirmations on loans from two lenders amounting to ₹ 76.98 crores. In the absence of adequate and sufficient audit evidence to establish the amounts payable to the lenders, we are unable to provide our opinion on the correctness of these amounts reflected in the standalone financial statements and also on their consequential impact including compliance with accrual concept of accounting and potential tax liabilities.

**Management response:**

Management is following up with lenders to get the balance confirmations. This will be taken care of during one time settlement process.

c. The standalone financial statements have been prepared by the Management and Board of Directors using the going concern assumption (Refer Note 39 of the standalone financial statements). The matters detailed in the above paragraphs may have a consequential implication on the Company's ability to continue as a going concern. We are therefore unable to comment on whether the going concern basis for preparation of the standalone financial statements is appropriate.

**Management response:**

These standalone financial statements for the year ended 31 March 2026 have been prepared on a going concern basis in view of the positive net worth of the Company amounting to ₹ 17,917.64 million as of 31 March 2026. Company has repaid its major lenders during the year.

**B. Secretarial Audit Qualification**

For the financial year 2025-26, there are no qualifications, reservations or adverse remarks made by the Practicing Company Secretary in the Secretarial Audit report of the Company.

## Risk Management and Assessment:

The provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. However, the Company has constituted a Risk Management Committee. The Company is exposed to various risks considering the diversified parameters according to the different major business sectors of the Company that is coffee business, and resort business. The Audit Committee oversees the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on 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 / Secretarial 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(1) and (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:**

b) 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 had 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 Option to the Employees of the Company.

**THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.**

Not applicable during the reporting period.

**THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.**

No application was made and no proceeding was pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the reporting period, as applicable.

**Appreciation:**

The Board acknowledges and places on record its' appreciation for the contributions and hard work of Chief Executive Officer, Chief Financial Officer, Company Secretary & Compliance officer and other Senior employees and their team specifically in the last 6 years for continued operations and effective interaction with all stakeholders and statutory agencies.

**Acknowledgement:**

The Directors express their gratitude to the Company's employees, customers, banks and financial institutions, investors and other stakeholders for their continued support. The Directors also thank the concerned Government departments and agencies for their cooperation. The Board appreciates and values the contribution made by every member of the 'Coffee Day' family.

*For* **Coffee Day Enterprises Limited**

| | |
|---|---|
| ***Sd/-*** | ***Sd/-*** |
| **Malavika Hegde** | **K R Mohan** |
| CEO & Whole-time Director | Independent Director |
| DIN: 00136524 | DIN: 01718628 |

Place: Bangalore

Date: 27 May 2026

ANNEXURE-I

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## I. OUTLOOK

### Global Economic Outlook

The global economy demonstrated resilience during FY 2025-26 despite heightened geopolitical tensions, evolving trade policies and persistent policy uncertainty across several major economies. Economic activity remained supported by continued technological investments, improving financial conditions in many markets and resilient domestic demand in several emerging economies. However, global growth moderated from historical averages, reflecting the combined impact of trade frictions, elevated public debt levels and geopolitical risks.

The World Bank, in its Global Economic Prospects (January 2026), projected global growth of 2.6% in 2026, indicating that while the global economy has remained more resilient than previously anticipated, growth continues to be constrained by policy uncertainty, slowing investment and weaker productivity growth. The report emphasized that developing economies continue to face challenges from elevated borrowing costs, fiscal pressures and slower external demand, although easing inflation and gradually improving financial conditions are expected to provide some support to economic activity.

According to the International Monetary Fund (IMF) World Economic Outlook (April 2026), global growth is projected at 3.1% in 2026, reflecting a moderation in economic activity amid uncertainty arising from geopolitical developments, particularly in the Middle East. Inflation is expected to remain above pre-pandemic levels in the near term before gradually moderating as supply-side pressures ease and monetary policies continue to focus on price stability. The IMF also highlighted that downside risks continue to outweigh upside potential, with prolonged geopolitical conflicts, supply chain disruptions, commodity price volatility and renewed trade restrictions posing challenges to global economic stability.

For the coffee industry, global demand remained broadly resilient, supported by sustained coffee consumption across both mature and emerging markets. Premiumization trends, increasing preference for specialty coffee, growth in café culture and rising at-home coffee consumption continued to support long-term demand. Nevertheless, the sector experienced volatility arising from weather-related supply disruptions in key coffee-producing regions, higher logistics costs and fluctuations in commodity prices, resulting in continued pressure on coffee supply chains.

The global hospitality sector continued its recovery, supported by robust leisure travel, increased business mobility and growth in domestic tourism across several economies. Improving occupancy levels, higher travel spending and the revival of corporate events contributed positively to the industry's performance. However, hospitality operators continued to face challenges from labour shortages, inflationary pressures, rising operating costs and geopolitical uncertainties affecting international travel patterns.

Looking ahead, while macroeconomic conditions remain subject to uncertainty, structural trends such as rising consumer spending on premium experiences, expanding organised food service markets, digital transformation and increasing demand for high-quality coffee products are expected to support long-term growth opportunities for businesses operating in the coffee and hospitality sectors. Companies with resilient supply chains, diversified sourcing strategies, strong brands and operational efficiencies are expected to be better positioned to navigate evolving global economic conditions.

*(Source: International Monetary Fund (IMF) and World Bank's Global Economic Prospects)*

## Indian Economic Outlook

India continued to remain one of the fastest-growing major economies during FY 2025-26, supported by resilient domestic demand, sustained government capital expenditure, robust services sector growth, improving private investment and a stable financial system. Despite an uncertain global environment characterised by geopolitical tensions, trade policy shifts and volatile commodity prices, the Indian economy demonstrated resilience backed by strong macroeconomic fundamentals.

According to the Economic Survey 2025-26, India's real Gross Domestic Product (GDP) is estimated to have grown by 7.4% in FY 2025-26, driven primarily by domestic consumption, sustained public investment and strong services sector performance. The Survey projects India's growth in FY 2026-27 in the range of 6.8% to 7.2%, while highlighting that healthy household, corporate and banking sector balance sheets, resilient consumption demand and improving private investment intentions are expected to continue supporting medium-term economic growth. At the same time, it identifies external risks such as geopolitical uncertainties, slower growth in major trading partners, trade disruptions and volatility in global capital flows as key challenges to the outlook.

India's inflation trajectory remained well anchored during FY 2025-26, supported by favourable agricultural output, easing supply-side pressures and prudent monetary policy. The Reserve Bank of India (RBI) continued to focus on maintaining price stability while supporting economic growth through an appropriate monetary policy framework. Stable inflation, improving liquidity conditions and healthy credit growth contributed to a favourable business environment across sectors.

The services sector continued to be the primary engine of economic growth, benefiting from strong consumer demand, digital transformation and expanding organised retail and food service industries. Rising disposable incomes, increasing urbanisation, favourable demographics and growing consumer preference for premium products and experiential consumption continued to support domestic demand.

The hospitality sector maintained its growth momentum during FY 2025-26, driven by strong domestic tourism, increasing business travel, revival of Meetings, Incentives, Conferences and Exhibitions (MICE) activities and higher discretionary spending by consumers. Government initiatives to strengthen tourism infrastructure, improve connectivity and promote India as a global tourism destination further supported the sector's expansion.

The coffee industry also benefited from favourable long-term structural trends, including increasing café culture, premiumisation, rising demand for specialty coffee and expanding organised food service channels. Growing consumer awareness, evolving lifestyles and higher out-of-home consumption continued to create opportunities across both retail and institutional segments. However, businesses remained exposed to fluctuations in coffee prices, climate-related production risks, logistics costs and global supply chain disruptions.

Looking ahead, India's strong macroeconomic fundamentals, ongoing infrastructure development, policy reforms, expanding middle-income population and increasing consumer spending are expected to provide a supportive environment for sustained growth. Businesses operating in the coffee and hospitality sectors are expected to benefit from these structural growth drivers, while continued focus on operational efficiency, innovation, premium offerings and supply chain resilience will remain critical in navigating an evolving economic landscape.

*(Source: Economic Survey and Press Information Bureau)*

## II. INDUSTRY STRUCTURE AND DEVELOPMENTS

### a. Coffee Business:

**Market Analysis**

The global coffee industry continued to demonstrate resilience during FY 2025-26 despite economic uncertainty, climate-related production challenges and volatility in commodity prices. Coffee remains one of the world's most widely traded agricultural commodities, supported by sustained consumption across both developed and emerging markets. Structural shifts in consumer preferences towards premium coffee, specialty blends and experiential café formats have continued to reshape the industry, creating opportunities across the value chain.

India has strengthened its position as one of the world's leading coffee-producing and exporting nations, with approximately 70–75% of its coffee production being exported to international markets, while domestic consumption continues to witness steady growth. Indian coffee, cultivated predominantly under shade-grown conditions in the ecologically sensitive Western and Eastern Ghats, is globally recognised for its quality, sustainability and distinctive flavour profiles. The country's coffee industry is primarily concentrated in Karnataka, Kerala and Tamil Nadu, with increasing cultivation in non-traditional regions and the North-Eastern states.

The Indian coffee market continued to benefit from changing consumer lifestyles, rising urbanisation, increasing disposable incomes and growing preference for premium beverages. The rapid expansion of organised café chains, specialty coffee roasters and artisanal cafés has accelerated coffee adoption, particularly among younger consumers in metropolitan and Tier II cities. Growth in e-commerce platforms and direct-to-consumer channels has further enhanced accessibility to premium coffee products, while increasing awareness of single-origin, sustainably sourced and specialty coffees has supported value-added consumption. Government and industry initiatives to promote domestic coffee consumption and strengthen the coffee value chain are expected to further support long-term market development.

The out-of-home coffee segment continued to emerge as one of the fastest-growing categories within the food and beverage industry, supported by evolving consumer preferences for premium café experiences, hybrid work culture and increasing social consumption. The growth of branded café chains, quick-service restaurants, hotels and institutional consumption has expanded demand for both roasted and soluble coffee. According to the USDA Foreign Agricultural Service, the Indian coffee market is projected to grow at a compound annual growth rate (CAGR) of approximately 8.9% through 2028, while the out-of-home coffee segment is expected to expand at 15–20% annually, reflecting significant long-term growth potential.

On the supply side, the coffee industry continued to face challenges arising from climate variability, irregular rainfall patterns, labour availability, rising input costs and global logistics disruptions. International coffee prices remained volatile due to weather-related production concerns in major coffee-producing countries and tightening global supply conditions. Such volatility has impacted procurement costs across the value chain while reinforcing the importance of diversified sourcing strategies, operational efficiency and effective risk management.

The Indian coffee sector also witnessed continued focus on sustainability, traceability and value addition. Increasing emphasis on environmentally sustainable cultivation practices, certification standards and climate-resilient farming techniques is enhancing the global competitiveness of Indian coffee. Simultaneously, investments in processing, branding, product innovation and export promotion are strengthening India's position in the premium coffee segment. The Coffee Board of India continues to support the sector through initiatives relating to productivity enhancement, replantation, quality improvement, entrepreneurship development, market promotion and export facilitation.

Looking ahead, favourable demographic trends, rising café culture, increasing premiumisation, expanding organised retail, digital commerce and growing global appreciation for high-quality Indian coffee are expected to provide sustained growth opportunities for the industry. While commodity price fluctuations, climate risks and geopolitical uncertainties remain key challenges, companies with strong brands, integrated value chains, diversified sourcing networks and differentiated customer offerings are expected to be well positioned to capitalise on the evolving market landscape.

**(*Source*: *Coffee Board of India, USDA Foreign Agricultural Service and International Coffee Organization*)**

## Indian Coffee Market Trends:

The Indian coffee market continued to witness strong structural growth during FY 2025-26, driven by changing consumer lifestyles, increasing urbanisation, rising disposable incomes and evolving consumption preferences. While India has traditionally been an export-oriented coffee-producing nation, domestic coffee consumption has steadily increased over the past decade, supported by the rapid expansion of organised café chains, specialty coffee brands and premium retail offerings. The coffee industry is gradually transitioning from a commodity-driven market to a value-added, experience-oriented sector.

One of the most significant trends shaping the market is the rapid growth of café culture. Coffee consumption is increasingly associated with social interactions, workspaces and lifestyle experiences, particularly among millennials and Gen Z consumers. The expansion of branded café chains, independent specialty cafés and premium coffee outlets across metropolitan cities and Tier-II markets has significantly broadened the consumer base. Cafés have evolved beyond beverage outlets into community spaces for work, meetings and leisure, thereby increasing out-of-home coffee consumption.

The specialty coffee segment continues to gain momentum as consumers increasingly seek high-quality, single-origin, estate-branded and sustainably sourced coffees. Growing awareness of different brewing methods, coffee origins and flavour profiles has encouraged premiumisation across both retail and food service channels. Specialty coffee, once limited to niche urban markets, is now witnessing growing acceptance across emerging cities, supported by digital awareness and the proliferation of artisanal roasters.

Another notable trend is the increasing penetration of coffee consumption into Tier-II and Tier-III cities. Organised café brands, local entrepreneurs and quick-service restaurant chains are expanding their footprint beyond major metropolitan areas, driven by rising disposable incomes, aspirational lifestyles and improving retail infrastructure. This geographical expansion is creating new demand centres and supporting long-term domestic consumption growth.

At-home coffee consumption has also witnessed sustained growth, supported by increasing availability of premium packaged coffee, instant coffee, coffee pods and home brewing equipment. The growth of e-commerce platforms, quick commerce and direct-to-consumer distribution models has enhanced accessibility to a wider range of coffee products. Consumers are increasingly experimenting with brewing techniques such as French press, pour-over, AeroPress and espresso, reflecting greater engagement with premium coffee experiences.

The market is also witnessing increasing demand for ready-to-drink (RTD) coffee, cold brews and functional coffee beverages, particularly among younger consumers seeking convenience and healthier beverage alternatives. Product innovation, new flavour profiles and premium positioning are enabling manufacturers to diversify their product portfolios and cater to evolving consumer preferences.

On the supply side, Indian coffee producers continue to focus on value addition, sustainability and traceability. Estate-branded coffees, certified sustainable production practices and environmentally responsible cultivation methods are strengthening India's positioning in premium domestic and international markets. Increasing adoption of digital traceability, improved processing techniques and direct engagement between growers and consumers are further enhancing product differentiation.

Despite favourable demand fundamentals, the industry continues to face challenges arising from volatile international coffee prices, climate variability, labour shortages and rising input costs. Weather-related production risks in India and other major coffee-producing countries continue to influence supply dynamics and procurement costs across the value chain. Nevertheless, India's low per capita coffee consumption compared to the global average indicates substantial headroom for long-term market expansion, supported by favourable demographics, increasing premiumisation and sustained growth in organised food service.

Overall, the Indian coffee market is expected to remain on a strong growth trajectory, driven by rising domestic consumption, expanding café culture, increasing consumer preference for premium products and continued innovation across retail and institutional channels.

## Opportunities

The Indian coffee industry presents significant long-term growth opportunities, supported by favourable demographic trends, evolving consumer preferences and increasing demand for premium coffee experiences. Rising urbanisation, higher disposable incomes and changing lifestyles are driving sustained growth in both domestic consumption and organised food service, creating a conducive environment for businesses operating across the coffee value chain.

**Growing Domestic Coffee Consumption:** India continues to witness a gradual shift from being a predominantly tea-drinking nation to an increasingly coffee-consuming market. Rising coffee adoption among younger consumers, increasing disposable incomes and changing consumption habits are expected to support sustained growth in domestic demand. With India's per capita coffee consumption remaining significantly lower than many developed markets, the industry offers considerable headroom for long-term expansion.

**Expansion of Café Culture:** The rapid proliferation of branded café chains, specialty coffee outlets and independent cafés across metropolitan, Tier II and Tier III cities is expanding the consumer base. Cafés have evolved into preferred destinations for social interactions, business meetings and remote working, contributing to higher out-of-home coffee consumption. This trend is expected to create sustained demand for premium coffee products and innovative beverage offerings.

**Premiumisation and Specialty Coffee:** Consumers are increasingly seeking high-quality, single-origin, sustainably sourced and artisanal coffee products. Growing awareness of coffee origins, brewing methods and flavour profiles has accelerated the premiumisation of the market. This presents opportunities for companies to strengthen their premium product portfolio, enhance customer engagement and improve value realisation through differentiated offerings.

**Growth in Retail and Digital Channels:** The expansion of organised retail, e-commerce and quick-commerce platforms has significantly improved accessibility to premium coffee products. Direct-to-consumer business models and digital engagement enable companies to strengthen customer relationships, broaden market reach and respond effectively to evolving consumer preferences.

**Product Innovation and Diversification:** Increasing consumer preference for convenience and healthier beverage options has created opportunities in ready-to-drink (RTD) coffee, cold brews, functional beverages, coffee capsules and premium instant coffee. Continuous product innovation and portfolio diversification are expected to support incremental demand and attract new consumer segments.

**Institutional and Out-of-Home Consumption:** Growth in hotels, restaurants, cafés,corporate offices, educational institutions and quick-service restaurants continues to expand institutional demand for coffee. The recovery in tourism, hospitality and business travel further supports growth in the out-of-home consumption segment, creating opportunities for integrated coffee and café businesses.

**Export Opportunities:** India continues to be recognised globally for its high-quality shade-grown Arabica and Robusta coffees. Increasing international demand for sustainably produced, traceable and specialty coffees presents opportunities to strengthen export presence, expand into premium markets and enhance value-added product offerings.

**Sustainability and Value Addition:** Growing consumer preference for environmentally responsible and ethically sourced products is encouraging investments in sustainable cultivation, traceability and responsible sourcing. Companies that focus on sustainability initiatives, farmer engagement, climate-resilient practices and value-added processing are well positioned to strengthen brand equity and create long-term competitive advantages.

**Government Support and Industry Development:** Continued support from the Coffee Board of India through initiatives relating to productivity enhancement, quality improvement, market promotion, export facilitation and entrepreneurship development is expected to strengthen the industry's growth prospects. Government investments in infrastructure, logistics and agricultural development are also expected to improve supply chain efficiency and market access.

Overall, favourable demographics, increasing domestic consumption, expanding café culture, premiumisation, digital commerce and growing global demand for Indian coffee provide a strong foundation for sustainable long-term growth. Companies with strong brands, diversified product portfolios, integrated operations and customer-centric innovation are expected to be well positioned to capitalise on these emerging opportunities.

***(Source: Coffee Board of India- India E Magazine, USDA Foreign Agricultural service- India Coffee Annual Report, International Coffee Market Organization- Coffee Market Reports )***

## Risks, Concerns and Threats

The coffee business operates in a dynamic environment and is exposed to various internal and external risks that could impact business performance. The Company continuously monitors these risks and adopts appropriate mitigation strategies to strengthen operational resilience and support sustainable growth.

**Volatility in Coffee Prices**: Coffee is a globally traded commodity, and prices are influenced by factors such as production levels, weather conditions in major coffee-producing countries, global demand-supply dynamics, currency fluctuations and speculative trading. Significant fluctuations in green coffee prices may impact procurement costs and profitability, particularly where increases cannot be fully passed on to customers.

**Climate Change and Weather-Related Risks**: Coffee cultivation is highly dependent on favourable climatic conditions. Unpredictable rainfall, prolonged droughts, rising temperatures, pest infestations and extreme weather events may adversely affect crop yields, bean quality and overall coffee production. Climate-related disruptions may also result in supply shortages and increased procurement costs.

**Supply Chain and Procurement Risks**- The coffee business relies on the timely availability of quality coffee beans and other raw materials. Disruptions arising from transportation constraints, geopolitical developments, port congestion, logistics bottlenecks or supplier-related issues may affect procurement schedules, inventory management and operational efficiency.

**Inflationary Pressures and Rising Input Costs:** The business remains exposed to inflation in raw materials, packaging materials, milk, sugar, fuel, utilities, labour and freight costs. Sustained increases in operating expenses may impact margins, particularly in a competitive pricing environment.

**Foreign Exchange Risk:** Given the export orientation of the Indian coffee industry and dependence on imported equipment, machinery and certain inputs, fluctuations in foreign exchange rates may affect export realisations, import costs and overall financial performance.

**Changing Consumer Preferences** : Consumer tastes and preferences continue to evolve with increasing demand for premium products, healthier beverages, specialty coffee and innovative consumption formats. Failure to anticipate and respond effectively to changing consumer expectations could affect market share and brand relevance.

**Competitive Intensity:** The coffee market is characterised by intense competition from domestic and international coffee brands, café chains, quick-service restaurants and emerging specialty coffee players. Increased competition may result in pricing pressures, higher customer acquisition costs and the need for continuous investment in product innovation and customer experience.

**Regulatory and Compliance Risks:** The Company operates within a regulatory framework governing food safety, product quality, environmental standards, labour laws, taxation and export-import regulations. Changes in applicable laws, regulations or compliance requirements may increase operational costs and require modifications to existing business processes.

**Quality and Food Safety Risks:** Maintaining consistent product quality and food safety standards is critical to preserving customer confidence and brand reputation. Any quality-related issues, product contamination or non-compliance with food safety regulations could adversely impact the Company's reputation and financial performance.

**Labour Availability**: Coffee cultivation, processing and hospitality operations are labour-intensive. Shortages of skilled labour, increasing wage costs and challenges in employee retention may affect operational efficiency and service quality.

**Geopolitical and Macroeconomic Uncertainty-** Global geopolitical tensions, trade restrictions, economic slowdowns, inflationary pressures and disruptions in international trade may influence commodity prices, consumer spending and supply chain stability. Such developments could impact both domestic operations and export demand.

**Cybersecurity and Technology Risks-** Increasing digitalisation across retail operations, customer engagement platforms and supply chain management exposes the business to cybersecurity threats, data privacy risks and technology disruptions. Robust information security measures and business continuity plans remain essential to safeguard business operations.

Despite these challenges, the Company continues to focus on strengthening supply chain resilience, diversified sourcing, product innovation, operational efficiencies, prudent cost management and sustainable business practices. A strong brand portfolio, integrated business model and disciplined risk management framework position the Company to effectively navigate evolving market conditions while pursuing long-term growth opportunities.

***( Source: Coffee Board of India, USDA Foreign Agricultural Service- India Coffee Annual Report)***

## Market Segmentation

The Indian coffee market is evolving rapidly, driven by changing consumer preferences, premiumisation, increasing café penetration and expansion of organised retail. The market is broadly segmented across product categories, consumption channels, customer segments and geographic markets enabling companies to cater to diverse consumer needs and strengthen their market presence.

**Product-Based Segmentation:** The coffee market comprises a diverse portfolio of products catering to evolving consumer preferences and varying price segments. Instant coffee continues to dominate the retail market owing to its convenience and affordability, while roasted and ground coffee remains the preferred choice for consumers seeking authentic brewing experiences. Demand for specialty and premium coffees, including single-origin, estate-branded, organic, and sustainably sourced varieties, is steadily increasing. At the same time, ready-to-drink (RTD) coffee and coffee capsules and pods are witnessing growing adoption, driven by changing lifestyles, convenience, and the increasing use of home and office coffee machines.

**Customer-Based Segmentation-** The coffee market serves a diverse customer base across retail, institutional, and commercial segments. It caters to individual consumers, café and coffeehouse chains, hotels, restaurants and catering, corporate offices and institutions, modern retail and supermarkets, as well as e-commerce and direct-to-consumer (D2C) channels. The market also includes export buyers and international distributors, reflecting the growing global demand for Indian coffee.

**Distribution Channel Segmentation-** Coffee products are distributed through a wide range of channels, including company-owned cafés, franchise café networks, modern trade and organised retail, general trade, e-commerce, quick commerce platforms, institutional sales, and export markets. The growing adoption of omni-channel retailing is enhancing market reach, improving customer engagement, and increasing product accessibility across diverse consumer segments.

**Consumer Preference Segmentation:** Consumer preferences in the coffee market are evolving towards more personalised and differentiated experiences. The market caters to value-conscious consumers seeking affordable options, premium consumers preferring specialty and single-origin coffees, health-conscious consumers opting for low-sugar and plant-based beverages, and convenience-driven consumers favouring instant coffee, ready-to-drink (RTD) beverages, and coffee capsules. It also serves experience-oriented consumers who value café ambience, customised beverages, and premium service.

**Geographic Segmentation:** The coffee market exhibits diverse consumption patterns across regions. Metropolitan cities continue to drive premium coffee consumption due to higher disposable incomes and a well-established café culture, while Tier II and Tier III cities are emerging as key growth markets, supported by rising urbanisation, increasing purchasing power, and the expansion of organised café chains. International markets, particularly Europe, the Middle East, the United States, and select Asian countries, remain important for Indian coffee, with growing demand for premium and sustainably sourced products.

**End-Use Segmentation**

Coffee demand is broadly classified into two major segments:

- **Retail Consumption:** Household purchases through supermarkets, general trade, e-commerce and company-owned outlets.
- **Out-of-Home Consumption:** Consumption through cafés, hotels, restaurants, quick-service restaurants (QSRs), corporate offices and institutions. This segment continues to witness strong growth due to increasing business travel, tourism and evolving consumer lifestyles.

## Emerging Market Trends

Several structural trends continue to reshape the market landscape:

- Rising café culture and experiential consumption.
- Increasing premiumisation and specialty coffee demand.
- Growth of digital commerce and direct-to-consumer channels.
- Expansion into Tier II and Tier III cities.
- Increasing focus on sustainability, traceability and ethical sourcing.
- Product innovation across RTD coffee, cold brews, flavoured beverages and functional coffee.

These trends provide significant opportunities for coffee companies to expand their customer base, diversify revenue streams and strengthen brand positioning through innovation, premium offerings and enhanced consumer engagement.

### b. Hospitality Business

The hospitality industry continued to demonstrate strong recovery during FY 2025-26, supported by robust domestic travel, sustained growth in business tourism, increasing leisure spending and improving international tourist arrivals. Rising disposable incomes, favourable demographics, expanding air connectivity and continued investments in tourism infrastructure have reinforced India's position as one of the fastest-growing hospitality markets globally.

India's hospitality sector comprises hotels, resorts, serviced apartments, restaurants, cafés, convention centres and other accommodation and food service businesses catering to leisure, business and institutional customers. The industry is broadly classified into organised and unorganised segments, with the organised sector continuing to expand through branded hotel chains, asset-light management contracts and franchise-led growth models. Increasing participation by domestic and international hospitality brands has enhanced the quality of accommodation, service standards and customer experiences across the country.

The sector continued to benefit from strong growth in **domestic tourism**, which remains the primary demand driver for the industry. Rising incomes, changing consumer lifestyles, improved road and air connectivity, and increasing preference for experiential travel have supported higher travel frequency across leisure, pilgrimage, wellness and adventure tourism segments. At the same time, corporate travel, meetings, incentives, conferences and exhibitions (MICE) regained momentum, contributing to improved occupancy levels and higher average room rates across key business destinations.

India also witnessed continued expansion in branded hotel inventory, particularly in Tier II and Tier III cities, reflecting growing demand beyond metropolitan markets. Hotel operators increasingly adopted asset-light expansion strategies through management contracts and franchise arrangements, enabling faster market penetration while optimising capital deployment. This trend is expected to continue as organised hospitality players expand their presence across emerging business and tourism destinations.

Technology continues to reshape the hospitality landscape through digital booking platforms, mobile applications, contactless check-in and check-out, digital payment solutions, customer relationship management systems and data-driven personalisation. Hotels are increasingly leveraging artificial intelligence, revenue management systems and customer analytics to improve operational efficiency, enhance guest experiences and optimise pricing strategies.

Sustainability has become an integral focus area for the hospitality industry. Hotel operators are increasingly adopting environmentally responsible practices, including energy-efficient infrastructure, water conservation, waste management, responsible sourcing and reduction of carbon emissions. Growing consumer preference for sustainable travel experiences and evolving environmental regulations are expected to further accelerate investments in green hospitality practices.

The food and beverage segment continued to remain an important revenue contributor for hospitality businesses. Growth in premium dining, café culture, cloud kitchens, banqueting services and destination events has created additional revenue streams for hotel operators. Increasing demand for integrated hospitality experiences combining accommodation, dining, wellness and entertainment has further strengthened the industry's growth prospects.

Despite the positive outlook, the industry continues to face challenges including rising operating costs, labour shortages, inflationary pressures, geopolitical uncertainties and changing consumer expectations. Hotel operators are increasingly focusing on operational efficiency, digital transformation, talent development and customer-centric innovation to strengthen competitiveness and improve long-term profitability.

Looking ahead, India's hospitality sector is expected to remain on a strong growth trajectory, supported by favourable macroeconomic fundamentals, increasing domestic tourism, government initiatives to promote tourism infrastructure, expanding aviation connectivity and rising consumer spending on travel and experiences. The continued growth of organised hospitality, premiumisation and technology adoption is expected to create significant opportunities for companies operating in the hospitality sector.

*(Source:* **Ministry of Tourism, Government of India - India Tourism Statistics & Annual Reports, (Federation of Hotel & Restaurant Associations of India) and India Brand Equity Foundation (IBEF) – Hospitality Industry in India)**

## Market Size

India's hospitality industry has emerged as one of the fastest-growing segments of the services sector, supported by rising domestic tourism, increasing business travel, favourable demographics, improving infrastructure and growing consumer spending on travel and experiences. The sector comprises hotels, resorts, serviced apartments, restaurants, cafés and other accommodation and food service businesses catering to both leisure and business travellers.

According to the World Travel & Tourism Council (WTTC), India's travel and tourism sector contributed approximately ₹21.15 lakh crores (US$250.2 billion) to the country's GDP in CY2024, accounting for around 6.6% of GDP. The sector is projected to contribute over ₹22 lakh crores (US$257.4 billion) to the economy in CY2025, reflecting continued momentum in travel demand. Employment generated by the sector is expected to exceed 48 million jobs in 2025, highlighting its significant contribution to economic growth and job creation.

The Indian hospitality industry continues to benefit from strong domestic travel, which remains the primary growth driver. According to WTTC estimates, domestic visitor spending reached approximately ₹15.5 lakh crores (US$185.6 billion) in 2024, around 22% higher than pre-pandemic levels, and is expected to increase further to ₹16.8 lakh crores (US$200.2 billion) in 2025. International visitor spending also recovered strongly, reaching ₹3.1 lakh crores (US$36.8 billion) in 2024 and is projected to rise to approximately ₹3.2 lakh crores (US$37.5 billion) in 2025.

India's hotel industry has also witnessed robust expansion. According to ICRA, the organised hotel sector is expected to register 9–12% revenue growth in FY2025-26, supported by sustained demand from leisure travel, business travel, weddings and Meetings, Incentives, Conferences and Exhibitions (MICE). Premium hotel occupancy is projected to improve to 72–74% in FY2025-26, while demand growth is expected to continue outpacing supply, supporting healthy average room rates (ARRs) and operating margins.

The long-term outlook for the hospitality industry remains favourable. Industry estimates indicate that India's hospitality market is expected to exceed US$59 billion by 2028, driven by rising domestic tourism, expanding organised hotel inventory, increasing international arrivals and sustained investments in tourism infrastructure. Additionally, WTTC projects that the travel and tourism sector's contribution to India's GDP could reach approximately US$511.5 billion by 2034, underlining the sector's significant long-term growth potential.

The continued expansion of branded hotel chains, increasing penetration into Tier II and Tier III cities, growth in asset-light hotel models, digital transformation and rising consumer preference for premium travel experiences are expected to support sustained growth across the hospitality ecosystem.

***(Source: India Brand Equity Foundation (IBEF) and World Travel & Tourism Council)***

## Government Initiatives

The Government of India continues to accord high priority to the tourism and hospitality sector, recognising its significant contribution to economic growth, employment generation and regional development. A range of policy initiatives aimed at improving tourism infrastructure, enhancing connectivity, promoting domestic and international tourism, encouraging private sector participation and strengthening the ease of doing business continue to support the long-term growth of the hospitality industry.

- **Swadesh Darshan Scheme**- Under this scheme, the Government has adopted a destination-centric approach to develop sustainable and responsible tourism destinations with improved infrastructure, visitor amenities, digital integration and community participation.
- **Pilgrimage Rejuvenation and Spiritual, Heritage Augmentation Drive (PRASHAD)** Scheme aims to develop and upgrade infrastructure at important pilgrimage and heritage destinations across India. Improved accessibility, amenities and tourism infrastructure at religious destinations continue to support growth in domestic tourism and hospitality demand.
- **Dekho Apna Desh** initiative encourages domestic tourism by promoting India's diverse cultural, heritage, spiritual, eco-tourism and adventure destinations. Through awareness campaigns, webinars and digital outreach programmes, the initiative aims to increase domestic travel, thereby supporting occupancy levels across hotels, resorts and other hospitality establishments.

- **PM Gati Shakti National Master Plan** seeks to enhance multimodal connectivity through coordinated infrastructure development across roads, railways, airports, ports and logistics networks. Improved transportation infrastructure enhances accessibility to tourist destinations, reduces travel time and supports the expansion of hospitality businesses across both established and emerging destinations.
- **UDAN Scheme** continues to improve regional air connectivity by operationalising underserved and unserved airports across the country. Enhanced air connectivity facilitates tourism, business travel and hospitality demand, particularly in Tier II and Tier III cities and emerging tourist destinations.
- The Government continues to extend infrastructure status to eligible hotel projects, facilitating easier access to institutional financing at competitive rates. This measure encourages investment in hotel development and supports expansion of organised hospitality infrastructure.
- India has expanded its **e-Visa** facilities for eligible foreign nationals, simplifying travel procedures and improving the ease of visiting the country. Digital initiatives relating to immigration, online booking platforms and tourism information portals have further enhanced the overall visitor experience and supported inbound tourism.
- The Government is actively promoting Meetings, Incentives, Conferences and Exhibitions (MICE) tourism through improved convention infrastructure, international events and policy support. The development of world-class convention centres and India's growing position as a global business destination are expected to create significant opportunities for the hospitality sector.

### Sustainable and Responsible Tourism

The Ministry of Tourism continues to promote sustainable tourism through initiatives focused on environmental conservation, responsible tourism practices, waste management, accessibility, skill development and community participation. These initiatives encourage the hospitality industry to adopt environmentally sustainable business practices while enhancing long-term competitiveness.

### Union Budget and Tourism Infrastructure

Successive Union Budgets have prioritised tourism by allocating funds for destination development, heritage conservation, tourism circuits, infrastructure improvement and state-specific tourism projects. Government support for digital infrastructure, transport connectivity and public-private partnerships is expected to strengthen the overall tourism ecosystem and create favourable conditions for sustained growth in the hospitality sector.

### Outlook

Government initiatives aimed at improving tourism infrastructure, strengthening connectivity, promoting domestic and international tourism, facilitating investments and encouraging sustainable development are expected to provide a strong foundation for the continued growth of India's hospitality industry. These policy measures, coupled with favourable demographic trends and increasing travel demand, are likely to create significant opportunities for organised hospitality players over the long term.

### Indian Hospitality Industry Segmentation

The Indian hospitality industry is highly diversified and caters to a broad spectrum of customers across leisure, business, religious, medical and experiential travel segments. The industry has evolved from traditional accommodation services to an integrated ecosystem comprising hotels, resorts, restaurants, cafés, serviced apartments, convention centres and experience-led hospitality offerings. Growth in tourism, urbanisation, rising disposable incomes and digital transformation has further expanded the industry's customer base and service portfolio.

- **Type of Accommodation**: The hospitality industry is broadly segmented based on the type of accommodation and services offered. Luxury hotels provide premium accommodation with world-class amenities and personalised experiences, while upscale and upper midscale hotels cater to business and leisure travellers seeking quality services. Midscale and economy hotels, along with budget hotels and lodges, focus on affordability and value-for-money. Resorts offer leisure and destination-based experiences, whereas serviced apartments and extended stay hotels cater to long-term business and family stays. Boutique and heritage hotels attract guests seeking unique, personalised, and culturally immersive experiences.
- **Customer Category**: The hospitality industry caters to a diverse customer base with varying travel needs and purposes. It serves business and leisure travellers, domestic and international tourists, pilgrimage and religious visitors, and medical and wellness tourists. The industry also caters to Meetings, Incentives, Conferences and Exhibitions (MICE) travellers, government and institutional customers, as well as long-stay and corporate clients, reflecting the broad scope of demand across travel and accommodation segments.
- **Price Category:** The hospitality industry is segmented into luxury, premium, upper midscale, midscale, economy, and budget categories based on service standards and pricing. This classification enables hospitality companies to cater to diverse customer segments, addressing varying income levels, travel preferences, and accommodation requirements.
- **Ownership and Operating Model:** The organised hospitality sector operates through owned, leased, managed, and franchise hotels, as well as asset-light management contract and mixed ownership models. Increasingly, hospitality companies are adopting asset-light and franchise models to accelerate expansion, enhance operational efficiency, and optimise capital deployment.
- **Travel Purpose:** Hospitality demand is driven by a wide range of travel purposes, including business, leisure and vacation, religious and pilgrimage, medical, wellness, adventure, eco, heritage and cultural, and MICE tourism. The increasing diversification of travel preferences has broadened the industry's customer base, reduced reliance on any single segment, and strengthened overall resilience.
- **Geographic Markets:** Hospitality demand varies across metropolitan cities, Tier II and Tier III cities, business hubs, tourist and pilgrimage destinations, hill stations, coastal regions, and wildlife and eco-tourism destinations. Growing domestic tourism, improving infrastructure, and increasing regional connectivity are driving hotel investments beyond major metropolitan markets, creating new growth opportunities across emerging destinations
- **Distribution Channel:** Hospitality services are distributed through multiple booking channels, including direct hotel websites, mobile applications, Online Travel Agencies (OTAs), corporate

travel management companies, travel agents and tour operators, Global Distribution Systems (GDS), walk-in bookings, and corporate contracts. Digital booking platforms continue to account for a growing share of room reservations, driven by increasing internet penetration, smartphone usage, and changing consumer booking preferences.

- **Revenue Streams:** Hospitality businesses generate revenue from multiple sources, including room bookings, food and beverage (F&B), banquets and events, Meetings, Incentives, Conferences and Exhibitions (MICE), spa and wellness services, recreation and entertainment, laundry and other ancillary services, and membership and loyalty programmes. The growing contribution of non-room revenues has strengthened profitability and diversified income streams for hotel operators.

### Emerging Trends Influencing Industry Segmentation

The Indian hospitality industry continues to evolve in response to changing consumer behaviour and market dynamics. Key trends include:

- Growth of premium and experiential travel.
- Expansion of branded hotels into Tier II and Tier III cities.
- Increasing adoption of asset-light operating models.
- Rising demand for wellness and medical tourism.
- Growth in MICE and destination weddings.
- Greater use of digital technologies, artificial intelligence and contactless guest services.
- Increasing emphasis on sustainable and environmentally responsible hospitality practices.

These evolving market segments present significant opportunities for hospitality companies to diversify their offerings, strengthen customer engagement and drive sustainable long-term growth.

## RISKS CONCERNS AND THREATS

The hospitality industry operates in a dynamic and highly competitive environment and is influenced by macroeconomic conditions, consumer spending patterns, travel trends and regulatory developments. While the industry continues to benefit from robust domestic tourism, increasing business travel and favourable demographic trends, it remains exposed to certain risks and uncertainties that could impact business performance. The Company continuously monitors these risks and adopts appropriate mitigation strategies to strengthen operational resilience and support sustainable long-term growth.

### Macroeconomic and Consumer Spending Risks

Demand for hospitality services is closely linked to economic growth, disposable incomes and consumer confidence. Economic slowdowns, inflationary pressures, higher interest rates or reduced discretionary spending may adversely impact leisure travel, corporate travel and hospitality spending, thereby affecting occupancy levels and revenue growth.

### Dependence on Tourism and Travel Demand

The hospitality industry is dependent on sustained growth in domestic and international tourism. Geopolitical tensions, public health emergencies, natural disasters, travel restrictions or disruptions in transportation infrastructure may adversely affect tourist arrivals, business travel and hotel occupancy.

### Intense Competition

The hospitality sector is characterised by intense competition from domestic and international hotel chains, boutique hotels, serviced apartments, homestays and alternative accommodation platforms. The continuous addition of room inventory and aggressive pricing strategies may exert pressure on occupancy levels, average room rates (ARRs) and operating margins. Companies are therefore required to continuously invest in service quality, customer experience and brand differentiation.

### Inflation and Rising Operating Costs

The business remains exposed to inflationary pressures in employee costs, food and beverage procurement, utilities, energy, maintenance, transportation and other operating expenses. Sustained increases in input costs may impact profitability, particularly where such increases cannot be fully passed on to customers.

### Labour Availability and Talent Retention

Hospitality is a service-intensive industry that depends on skilled personnel across hotel operations, food and beverage services, housekeeping and guest relations. Shortages of skilled manpower, increasing wage costs and employee attrition may affect operational efficiency, service quality and customer satisfaction.

### Regulatory and Compliance Risks

Hospitality businesses are subject to various central, state and local regulations relating to food safety, fire and life safety, environmental compliance, labour laws, taxation, liquor licensing and tourism regulations. Changes in the regulatory framework or delays in obtaining statutory approvals may increase compliance costs and affect business operations

### Technology and Cybersecurity Risks

The increasing use of digital booking platforms, online payment systems, customer relationship management tools and hotel management systems exposes hospitality businesses to cybersecurity threats, data privacy risks and technology disruptions. Failure to adequately protect customer information or maintain uninterrupted digital operations could adversely impact customer trust and business continuity.

### Reputation and Brand Risks

Customer experience and brand reputation are critical success factors in the hospitality industry. Service deficiencies, food safety incidents, adverse online reviews, social media publicity or operational disruptions may negatively impact the Company's reputation, customer loyalty and future business prospects.

### Changing Consumer Preferences

Consumer expectations continue to evolve with increasing demand for personalised services, wellness offerings, sustainable hospitality, digital convenience and premium experiences. Failure to anticipate changing preferences or innovate in line with market trends could affect customer acquisition and retention.

### Environmental and Climate-Related Risks

Hospitality operations are increasingly exposed to climate-related risks, including extreme weather events, water scarcity and changing environmental regulations. Such risks may disrupt operations, increase maintenance costs and necessitate additional investments in sustainable infrastructure, resource conservation and climate resilience.

### Supply Chain Risks

Hospitality businesses depend on the uninterrupted availability of food products, beverages, utilities, linen, consumables and other operating supplies. Supply chain disruptions arising from logistics constraints, geopolitical developments or vendor-related issues may impact service delivery and operating costs.

### Health, Safety and Food Quality Risks

Maintaining high standards of guest safety, hygiene and food quality is essential for sustaining customer confidence and regulatory compliance. Any lapse in health, hygiene or food safety standards may adversely affect the Company's reputation and financial performance.

### Outlook

The Company remains focused on strengthening its operational resilience through prudent risk management practices, diversified revenue streams, digital transformation, sustainable business practices and continuous enhancement of guest experiences. Its emphasis on operational excellence, employee capability development, technology adoption, cost optimisation and strong governance enables the Company to effectively manage emerging risks while capitalising on long-term growth opportunities in the hospitality sector.

## III. SEGMENT WISE PERFORMANCE

**COMPANY'S FINANCIAL OVERVIEW**

### Statement of Profit and Loss Analysis

### Net Revenue

Net revenues increased by 4% to ₹ 1,116 Crores in FY 2025-26, compared with ₹ 1,078 Crores reported in FY 2024-25.

**Operating Profit**

EBITDA for FY 2025-26 stands at ₹ 420 Crores compared to negative of ₹ 223 Crores in FY 2024-25. EBITDA during FY 2025-26 includes

i. Gain on loan settlements of ₹ 204 Crores
ii. One-time expense on Implementation of Social Security Code, 2020 of ₹ 9 crores
iii. Gains of CDGL on settlement with lenders, cancellation of lease deed and sale of land of ₹ 44 crores

EBITDA during FY 24-25 includes

i. One-time expense of ₹ 11 crores was paid towards corporate guarantee obligation by Tanglin Developments Limited(subsidiary)
ii. The gain on loss of control on AC & C Hospitality Resorts LLP of ₹ 58.89 crores.

## Depreciation

Depreciation for the year under review stood at ₹ 129 Crores, compared with ₹ 125 Crores recorded in the previous year, up 4% on a y-o-y basis.

## Finance costs

Finance cost for the year under review decreased from ₹ 110 Crores to ₹ 92 Crores. Decrease in finance cost mainly due to settlement and repayment of debt.

## Net profit

Consolidated net profit for the year under review attributable to shareholders of the company stood at ₹ 203 Crores compared with loss of ₹ 58 Crores in the previous financial year. The profit during FY 2025-26 is mainly due to

i. Gain on loan settlements of ₹ 204 Crores
ii. One-time expense on Implementation of Social Security Code, 2020 of ₹ 9 crores
iii. Gains of CDGL on settlement with lenders, cancellation of lease deed and sale of land of ₹ 44 crores

## Balance Sheet Analysis

## Net worth

The Company's net worth stood at ₹ 3,156 Crores as on 31 March, 2026, increased by 7.1%, compared with ₹ 2,946 Crores as on 31 March, 2025. The net worth comprised of paid-up equity share capital amounting to ₹ 211.3 Crores as on 31 March, 2026 (211,251,719 equity shares of ₹ 10 each fully paid up) and Non-controlling interests of ₹ 362 Crores. The Company's reserves and surplus stood at ₹ 2,583 Crores as at 31 March, 2026.

## Loan profile

As on 31 March, 2026 the total loan funds stood at ₹ 579 Crores which comprises of long-term borrowings of ₹ 205 Crores and short-term borrowings of ₹ 374 Crores and the Company's net debt stood at ₹ 538 Crores.

## Liabilities

Non-current liabilities (excluding borrowings) stood at ₹ 207 Crores, comprising of lease liabilities ₹ 190 Crores, deferred tax liabilities ₹ 2 Crores, and provisions amounting to ₹ 15 Crores. Current liabilities (excluding current borrowings of ₹ 374 Crores) stood at ₹ 596 Crores, comprising of lease liabilities of ₹ 58 crores, other financial liabilities of ₹ 297 Crores, trade payables of ₹ 48 Crores, other current liabilities ₹ 18 Crores, current tax liabilities ₹ 156 Crores and provisions ₹ 19 Crores.

## Total assets

The Company's total assets decreased to ₹ 4,538 Crores in 2025-26 from ₹ 4,939 Crores in FY 2024-25, representing decrease of 9%. This decrease in total assets is mainly on account of redemption in cash and bank due to sale of assets to repay the debt.

## Investments

The Company's investments (current and non-current) including equity accounted investees during the year under review increased to ₹ 94 Crores compared to ₹ 79 Crores in the previous year.

## Current and Non-Current Assets

Inventories during the year ₹ 37 Crores comprise of raw material inventory of ₹ 27 Crores and Stores and spares of ₹ 10 crores. Trade receivables of the Company stood at ₹ 59 Crores in FY 2025-26. The Company had on its books cash and bank balances including deposits worth ₹ 27 Crores as on 31 March, 2026 as compared to ₹ 244 Crores in 31 March, 2025. The decrease is mainly due to repayment of debt on settlement.

The company had tax assets ₹ 311 Crores during the year under review. Total tax assets for FY 2025-26 comprise of deferred tax assets, (net) ₹ 308 Crores and current tax assets, (net) ₹ 3 Crores. Other financial assets stood at ₹ 1,028 Crores as compared to ₹ 1,079 Crores in the previous year.

Details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in the key financial ratios, along with detailed explanations thereof, including:

| Sl. No. | Particulars | 2026 | 2025 |
|---|---|---|---|
| 1 | Debtors turnover | 9.75 | 8.36 |
| 2 | Inventory turnover | 20.46 | 20.92 |
| 3 | Interest coverage ratio | 0.48 | 0.51 |
| 4 | Current ratio (Refer note-1) | 3.53 | 2.31 |
| 5 | Debt equity ratio (Refer note-1) | 0.26 | 0.47 |
| 6 | Operating profit margin (%) | 4.01% | 5.17% |
| 7 | Net profit margin (%)(Refer note-2) | 18.83% | (13.28)% |
| 8 | Return on Net Worth(%) | 6.89% | (4.71)% |

**Note:**

1. Current ratio, Debt equity ratio improved mainly due to loan repayment.
2. Net Profit Margin improved mainly due to one-time gains on loan settlements.

There is no significant change (i.e. change of 25% or more as compared to the immediately previous financial year) in the key financial ratios except as mentioned above.

## Operational Overview

Coffee Day Enterprises is present across the following sectors:-Coffee, hospitality and other operation. However, 98% of the consolidated net revenue of the Company was contributed by the coffee business during the year under review, followed by 2% from the hospitality.

## Coffee Business

Gross Revenue from the Company's consolidated coffee business stood at ₹ 1,094 Crores in 2025-26, contributing 98% to the consolidated topline, representing an increase of 6% over 2024-25. Consolidated Profit Before Tax is ₹ 199 Crores for FY 2025-26 compared to loss of ₹ 12 Crores for Previous Year FY 2024-25.

Coffee Day Global Limited's flagship café chain brand Café Coffee Day (CCD) owns 412 Operational cafes in 148 cities and 240 CCD Value Express kiosks. There are 55,802 vending machines that dispense coffee in corporate workplaces and hotels under the brand.

| Particulars | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|---|---|---|---|---|---|
| No. of cafes(Operational) | 495 | 469 | 450 | 422 | 412 |
| No. of cities of presence | 158 | 154 | 141 | 152 | 148 |
| No. of CCD Value Express kiosks | 285 | 268 | 265 | 247 | 240 |
| No. of operational vending machines | 38,810 | 48,788 | 52,581 | 54,100 | 55,802 |

## Hospitality Business

The Company owns and operates luxury boutique resorts, one directly through our Company, and two through our subsidiaries, under the brand 'The Serai'. These resorts are located at Chikmagalur, Bandipur and Kabini, all in Karnataka. The Company also with management control holds equity interest in a luxury resort in the Andaman and Nicobar islands.

Revenue from our hospitality business was decreased to ₹ 22 Crores in FY 2025-26 from ₹ 44 Crores in FY 2024-25. Decrease mainly due to loss of control of subsidiary AC & C Hospitality Resorts LLP on 30 January 2025 which operates Chikmagalur and Bandipur resorts.
*(Note: All information presented in Indian rupee has been rounded off to the nearest crore unless otherwise indicated.)*

## Internal Control Systems and Their Adequacy:

The Company has intended to increase transparency and accountability in an organization's process of designing and implementing a system of Internal Control. The framework requires a Company to identify and analyze risks and manage appropriate responses. The Company has successfully laid down the framework and ensured its effectiveness. The Company's Internal Controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of Corporate Policies.

The Company has a well-defined delegation of power with authority limits for approving revenue as well as expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down.

M/s. Venkatesh & Co, Chennai, the Statutory Auditors of the Company have audited the Financial Statements included in this Annual Report and have issued a report on the Internal Control over financial reporting (as defined in section 143 of the Companies Act, 2013).

The Company has appointed ABS & Co, Chartered Accountants to oversee and carry out Internal Audits. The Audit is based on an Internal Audit Plan, which is reviewed each year in consultation with the Audit Committee, the conduct of Internal Audit is oriented towards the review of Internal Controls and risks. Additionally, there has been a continued focus on IT enablement and computerization of key process controls through the Systems to maximize automated control transactions across key functions.

The Internal Audit function endeavors to make meaningful contributions to the Organization's overall governance, Risk Management and Internal Controls. The Audit Committee reviews reports submitted by Internal Auditors. Suggestions for improvement are considered and the Audit Committee follows up on corrective actions taken by the Management. The Audit Committee also meets the Company's Statutory Auditors to ascertain, inter alia, their views on the adequacy of Internal Control Systems and keeps the Board of Directors informed of its major observations periodically. Based on its evaluation (as provided under Section 177 of the Companies Act, 2013 and applicable clause of SEBI Listing Regulations), the Audit Committee has concluded that as of 31 March, 2026, the Internal Financial Controls were adequate and operating effectively.

## Material Developments in Human Resources/ Industrial Relations Front And Number of People Employed:

At a Group level, we have built a reputation of being able to attract and retain key talent.

### People & Culture

Our employees make a difference to our customers. Delivering customer promise across the Group is a critical component of our success. It therefore becomes imperative that our employees deliver the best-in-class service. We are very passionate and determined about being one of the best in the industry verticals we operate and are committed to be a leading employer in our space.

### Recruitment

We have strengthened our entry level and middle management lateral hiring process across our businesses. We have a robust process to hire middle & senior management staff through need-based hiring. Our selection process has innovative "practical project" built in for senior level leadership hiring, so as to test their ability to lead a P&L or make change happen.

### Training and Development

Building skills for entry level staff has been a significant effort, and we continue to work with skilling institutions / NGO's, our own Skilling centres as well with several state government skilling programs. At management level, we have our well established "Trainee" programs across businesses or direct induction at mid-levels through a well-designed induction program for lateral hires.

Some of our popular programs have included the "Sales Trainee" program at Vending business, OT / LDP program at CCD, Management Trainee program at Retail Logistics to name a few. We have also partnered with five other well-known companies and formed an "Exchange Consortium" and have offered Leadership Development / learning opportunities for our Senior Leaders. We also continue to invest and grow our diversity staff including the hearing challenged.

## Compensation

Our employees across various business receive competitive salaries and benefits within the industries they operate. We have started introducing a “Variable Pay” program selectively so as to drive a Performance culture. The “Group Retention Policy Program” is selectively used to attract and retain key talent. Increasingly we will use sales incentive / performance bonus to drive a performance culture. There were no days lost due to any industrial strike or labour issues.

*For* **Coffee Day Enterprises Limited**

| | |
|---|---|
| ***Sd/-*** | ***Sd/-*** |
| **Malavika Hegde** | **K R Mohan** |
| CEO & Whole-time Director | Independent Director |
| DIN: 00136524 | DIN: 01718628 |

Place: Bangalore
Date:27 May 2026

ANNEXURE-II

# 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 31st March, 2026 containing the matters mentioned in the said Regulations with respect to the Corporate Governance requirements:

**Company's Philosophy on 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 the society at large. The Corporate Governance philosophy of your Company ensures transparency in all dealings and in the functioning of the management and the Board. These policies seek to focus on enhancement of long-term shareholder value without compromising on integrity, social obligations and regulatory compliances.

The Company has adopted a Code of Conduct for its employees including all the Directors. In addition, the Company has adopted the same for their Non-executive director 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: https://coffeeday.com/Stakeholders/Code_of_Conduct/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:

As on 31 March 2026, the Board of Directors of the Company comprised six Directors, consisting of one Promoter, Whole-time Director and Chief Executive Officer, two Non-Executive Non Independent Directors and three Non-Executive Independent Directors, including one Woman Independent Director. The composition of the Board is in conformity with the applicable provisions of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations.

The Chief Executive Officer (CEO) is responsible for the day to day operations of the Company. All the Directors are free from any business or other relationship that could materially influence their judgment. In the opinion of the Board, all the Independent Directors are independent of the management and satisfy the criteria of independence as defined under the Companies Act, 2013 and as specified under LODR Regulations. **The Board comprises experienced professionals with diverse expertise and experience across various fields relevant to the Company's businesses and operations.**

The brief profile of each Director on the Board is available on the Company's official website at the web link: https://coffeeday.com/PDF/ProfileofBoardofDirectors.pdf

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

| Name of the Director | Category |
|---|---|
| Mrs. Malavika Hegde | Promoter, Whole-time Director ,Chief Executive Officer and Chairperson |
| Mr. K R Mohan | Non-Executive Independent Director |
| Mr. Chandrashekar Rao Bokkasa | Non-Executive Independent Director |
| Dr. Vasundhara Devi | Non-Executive Woman Independent Director |
| Dr. I R. Ravish | Non-Executive Non Independent Director |
| Mrs. Sowrabhi Ramadas | Non-Executive Non Independent Director |

**Meetings and attendance record of Directors:**

The Listing Regulations require 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 well in advance 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 which are materially important
- 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 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 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 2025-26, Board of Directors met Eight (8) times as on:

1) 19 May 2025
2) 29 May 2025
3) 14 August 2025
4) 22 August 2025
5) 23 September 2025
6) 28 October 2025
7) 14 November 2025
8) 12 February 2026

None of the Directors on the Board holds directorships in more than ten public companies. Further, none of them is a member of more than ten committees or Chairperson 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 31 March 2026 have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on 31 March 2026 are given below. Other Directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1) (b) of the Listing Regulations.

| Name of the Director | No. of Board Meeting conducted during their tenure | No. of Board meeting attended | Attendance at the last AGM i.e. 18 September 2025 |
|---|---|---|---|
| Mrs. Malavika Hegde | 8 | 8 | Yes |
| Mr. K.R. Mohan | 8 | 8 | Yes |
| Dr. C.H.Vasundhara Devi | 8 | 7 | Yes |
| Dr. I. R.Ravish | 8 | 8 | Yes |
| Mrs. Sowrabhi Ramadas | 8 | 8 | Yes |
| Mr. Chandrashekar Rao B | 8 | 8 | Yes |

| Name of the Director | Directorships in Other Public Companies |
|---|---|
| Mrs. Malavika Hegde | 2 |
| Mr. K.R. Mohan | 3 |
| Dr. C.H.Vasundhara Devi | 1 |
| Dr. I. R. Ravish | 2 |
| Mrs. Sowrabhi Ramadas | - |
| Mr. Chandrashekar Rao B | 1 |

None of the Directors of the Company serve as Directors on the Board of any other listed company.

**Details of Membership/Chairmanship of Directors in Board Committees:**

Following is the list of Memberships/Chairpersonships of Directors in the Committees of the Listed companies and other public companies in which they are holding directorships:

| S. No. | Name of the Director | No. of Chairmanships in Committees held in other Listed and other Public Companies including this company | Number of Memberships in committees held in other listed and other public companies including this company |
|---|---|---|---|
| 1. | Mrs. Malavika Hegde | 0 | 3 |
| 2. | Mr. K.R. Mohan | 4 | 5 |
| 3. | Dr. C.H.Vasundhara Devi | 0 | 0 |
| 4. | Dr. I. R. Ravish | 1 | 3 |
| 5. | Mrs. Sowrabhi Ramadas | 0 | 0 |
| 6. | Mr. Chandrashekar Rao B | 0 | 2 |

*** Chairpersonships and Memberships in Audit and Stakeholder Relationship Committee are only considered for this purpose in accordance with Regulation 26 of SEBI Listing Regulations.**

**Shareholding of Directors:**

| Name of the Director | Nature of Directorship | Details of Shareholding as at March 31, 2026 |
|---|---|---|
| Mrs. Malavika Hegde | Promoter and Whole-time Director | 15,37,402 |
| Mr. K.R. Mohan | Non-Executive Independent Director | |
| Dr.C.H.Vasundhara Devi | Woman, Independent and Non-Executive Director | |
| Dr. I. R. Ravish | Non-Executive Non Independent Director | |
| Mrs. Sowrabhi Ramadas | Non-Executive Non Independent Director | - |
| Mr. Chandrashekar Rao B | Non-Executive Independent Director | |

## Skills / Expertise / Competencies of the Board of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

i) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates

ii) Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company

iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,

iv) Financial and Management skills

v) Technical / Professional skills and specialized knowledge in relation to Company's business

| Sl.No | Name of the directors | Leadership and Management Skills | Knowledge of the company's business and industry | Governance including legal compliance | Financial Skills | Behavioural Skills and competencies | Technical and professional skills |
|---|---|---|---|---|---|---|---|
| 1. | Mrs. Malavika Hegde | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2. | Mr. K.R. Mohan | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 3. | Dr.C.H.Vasundhara Devi | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 4. | Dr. I. R. Ravish | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 5. | Mrs. Sowrabhi Ramadas | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 6. | Mr. Chandrashekar Rao B | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

### Inter-se relationship among Directors:

There is no inter-se relationship amongst the Directors of the Company.

### Re-appointment of Directors:

As on 31 March 2026, Mrs. Sowrabhi Ramdas who is liable to retire by Rotation as per section 152(6) of the Companies Act, 2013 and being eligible offers herself for re-appointment.

### Resignation of Independent Director:

During the year none of the Independent Directors resigned from their post before the expiry of his/her tenure.

### Senior Management personnel:

The Senior Management personnel team of the company as on 31 March 2026 is as follows:

1. Mrs.Malavika Hegde: CEO and Whole Time Director
2. Mr.R Ram Mohan- Chief Financial Officer
3. Mr.Sadananda Poojary- Company Secretary and Compliance Officer

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.

### Familiarization Programme for Independent Directors:

As per Regulation 25(7) of the Listing Regulations and Schedule IV of the Act, the Company in its routine course of action familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the company etc. through various orientation programmes which includes induction of new Directors and other initiatives to update the Directors on an on-going basis.

The Familiarization Programme framed for the Independent Directors is disclosed on the Company's official website. and may be accessed at the web link: https://coffeeday.com/Stakeholders/Code_of_Conduct/FamiliarisationProgramme.pdf

### Meeting of Independent Directors:

A meeting of the Independent Directors was held on 12 February 2026 in terms of the requirements of the Act and Regulation 25(3) of the Listing Regulations. These meetings were 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 taking into account the views of executive directors and non-executive directors 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 the following Board Committees in accordance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations, wherever applicable:

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

The composition of all the Board Committees are in accordance with the provisions of the Act and the Listing Regulations, wherever applicable. Details of Board Committees and other related information are provided as hereunder:

## 1. AUDIT COMMITTEE:

| Composition and Category | Terms of reference | Other details |
|---|---|---|
| 1. Mr. K.R Mohan, Chairman of Audit Committee and Non-Executive Independent Director.<br><br>2. Mrs. Malavika Hegde, Whole-time Director, Chief Executive Officer and Member<br><br>3. Mr. Chandrashekar Rao Bokkasa, Member of Audit Committee and Non-Executive Independent Director. | 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.<br><br>• Oversight of the Company's financial reporting process and disclosure of its financial information;<br>• Reviewing, with the management, the quarterly, half-yearly, annual financial statements and auditor's report before submission to the Board for approval;<br>• Scrutinizing of inter-corporate loans and investments;<br>• Reviewing Management discussion and Analysis of financial condition and results of operation<br>• Recommending the terms of appointment/ re-appointment, remuneration, replacement or removal of Statutory auditors;<br>• Recommending appointment and remuneration of Cost Auditors;<br>• Reviewing the adequacy of internal audit function and internal control systems; | The Audit Committee comprises three Directors, of whom two are Independent Directors. The Chairman of the Audit Committee is an Independent Director.<br><br>The members possess sound knowledge of accounts, finance, audit and legal matters.<br><br>• 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.<br><br>• The CEO 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. |

| Composition and Category | Terms of reference | Other details |
|---|---|---|
| | • Approval of all related party transactions;<br>• Evaluation of Risk Management System;<br>• Reviewing the functioning of Whistle Blower Mechanism. | |

## Meeting and attendance during the year

During the financial year 2025-26, the Committee met six (6) times, on:

1. 29 May 2025
2. 14 August 2025
3. 22 August 2025
4. 23 September 2025
5. 14 November 2025
6. 12 February 2026

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

| Name of the Director | No. of Meetings conducted during their tenure | No. of meeting attended |
|---|---|---|
| Mr. K. R. Mohan | 6 | 6 |
| Mrs. Malavika Hegde | 6 | 6 |
| Mr. Chandrashekar Rao B | 6 | 6 |

## 2. NOMINATION & REMUNERATION COMMITTEE:

| Composition and Category | Terms of reference | Other details |
|---|---|---|
| 1. Mr. K.R Mohan, Chairman and Non-Executive Independent Director.<br><br>2. Dr. Vasundhara Devi, Non-Executive Independent Director and Member | In compliance with the requirements of Section 178 of the Act and Regulation 19 read with Para A of Part D of Schedule II of SEBI Listing regulations the terms of reference with respect to the Committee are as follows:<br>• formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend | The Committee comprises of three Directors, of whom two are Independent Directors. Mr. K. R. Mohan, Independent Director, is the Chairman of the Committee<br><br>• The Board in consensus with the Committee carried out an Annual evaluation of the performance of all its Committees, their Chairperson and each of |

| Composition and Category | Terms of reference | Other details |
|---|---|---|
| 3. Dr. I R Ravish, Non Executive Non IndependentDirector | to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;<br>• formulation of criteria for evaluation of performance of independent directors and the board of directors;<br>• devising a policy on diversity of board of directors;<br>• identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.<br>• Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.<br>• Recommend to the board, all remuneration, in whatever form, payable to senior management. | Directors on the Board through a self-evaluation survey process.<br><br>• 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. |

## Meeting and attendance during the year

During the financial year 2025-26, the Committee met three (3) times, on:

1. 14 August 2025
2. 22 August 2025
3. 23 September 2025

The details of members' attendance at the Nomination & Remuneration committee meeting during the year are given below:

| Name of the Director | No. of Meetings conducted during their tenure | No. of meeting attended |
|---|---|---|
| Mr. K.R.Mohan | 3 | 3 |
| Dr. Vasundhara Devi | 3 | 3 |
| Dr. I R Ravish | 3 | 3 |

## Remuneration of Directors

**a) Details of Remuneration:**

The details of remuneration and sitting fees are paid or provided to each of the Directors during the year ended 31 March, 2026 are given below:

**₹ in lakhs**

| | Salary and Perquisites | | | Others | | |
|---|---|---|---|---|---|---|
| Name of the Director | Fixed pay & Bonus | Perquisites | Retiral Benefits | Commission | Sitting fees | Total |
| Mrs. Malavika Hegde | - | - | - | - | Nil | Nil |
| Mr. K. R. Mohan | - | - | - | - | 13.00 | 13.00 |
| Dr. Vasundhara Devi | - | - | - | - | 6.00 | 6.00 |
| Dr. I. R. Ravish | - | - | - | - | 7.00 | 7.00 |
| Mrs. Sowrabhi Ramadas | - | - | - | - | 7.00 | 7.00 |
| Mr. Chandrashekhar Rao B | - | - | - | - | 13.00 | 13.00 |
| **TOTAL** | - | - | - | - | **46.00** | **46.00** |

**b) Services Contracts, notice and severance fees:**

As at 31 March 2026, the Board comprised of six members including one Whole-time Director and five Non-Executive Directors out of which three are 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 relationship or transactions of non-executive directors vis-a-vis the Company which has potential conflict with the interests of the Company at large. However, the Company pays sitting fees to Non-Executive Directors.

**d) Compensation/Fees paid to Non-Executive Directors:**

The sitting fees are paid to the Non-Executive Directors of the Company.

**e) Criteria for making payment to Non-Executive Directors:**

No commission or other remuneration, other than sitting fees, was paid to the Non-Executive Directors during FY 2025-26.

## Performance Evaluation

The performance evaluation of the Board, its Committees and individual Directors was carried out in accordance with the criteria and process approved by the Nomination and Remuneration Committee and the Board.

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 at the Company's official website at the following link: https://www.coffeeday.com/PDF/NOMINATION%20&%20REMUNERATION%20POLICY.pdf

As per the provisions of the Companies Act 2013 an evaluation of the performance of the Board, Committee and members were undertaken.

The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of various criteria such as Board structure, strategic discussions, effective reviews, process, Boards engagement with senior management team etc. The performance of the Committee was evaluated by the Board on the basis of composition, effective discharge of its function and recommendations provided. Performance of the Individual Directors was evaluated on the basis of Integrity, Commitment, ability to exercise independent judgment etc. The feedback was collated and discussed at the Board and action points for improvement were put in place.

## 3. STAKEHOLDER RELATIONSHIP COMMITTEE:

| Composition and Category | Terms of reference |
|---|---|
| 1. Mr. K. R. Mohan, Chairman and Independent Director<br>2. Mrs. Malavika Hegde, Member & Whole-time Director<br>3. Dr. I R Ravish, Non Executive Non Independent Director- Member | Pursuant to Section 178 of the Act and Regulation 20 read with para B of Part D of Schedule II of the Listing Regulations, the Committee's terms of reference are as under:<br>• Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.<br>• Review of measures taken for effective exercise of voting rights by shareholders.<br>• Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.<br>• Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company. |

### Meeting and attendance during the year

During the financial year 2025-26, the Stakeholder Relationship Committee was held on 29 May 2025and all the members were present at such meeting.

### Shareholders Complaint and Redressal:

The Registrar and Share Transfer Agent (RTA) of the Company is MUFG Intime India Private Limited, who handles the investor's grievances in coordination with 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 |

### Name, designation and address of the Compliance Officer:

Mr. Sadananda Poojary,
Company Secretary
Coffee Day Enterprises Limited
No.165, R V Road (Near Minerva Circle) Bangalore -560004
Email: investors@coffeedaygroup.com

## 4. RISK MANAGEMENT COMMITTEE:

| Name of the Member | Category and Position | Other details |
|---|---|---|
| 1. Dr. I R Ravish<br>2. Mrs. Malavika Hegde<br>3. Mr. K R Mohan | Non-Executive Director - Chairman<br>Whole-time Director & CEO - Member<br>Non-Executive Independent Director - Member | The committee comprises of all the members of the board. 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 and hospitality business. |

### Meeting and attendance during the year

During the financial year 2025-26, the Committee met Two (2) times, on:

1. 29 May 2025
2. 14 November 2025

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

| Name of the Director | No. of Meetings conducted during their tenure | No. of meeting attended |
|---|---|---|
| Mr. K. R. Mohan | 2 | 2 |
| Mrs. Malavika Hegde | 2 | 2 |
| Dr. I R Ravish | 2 | 2 |

## 5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

| Name of the Member | Category and Position | Other details |
|---|---|---|
| 1. Mrs. Malavika Hegde<br><br>2. Mr. K .R. Mohan<br><br>3. Dr. I R Ravish | Whole-time Director & Chief Executive Officer<br><br>Independent Director & Member<br><br>Non-Executive Non Independent Director | The Company has formulated a policy of CSR, which lays down the areas of focus, composition of Committee. It also contains the CSR activities which can be carried out by the Company. The said policy has been hosted on the Company's website and is available on the link: https://coffeeday.com/Stakeholders/Policies/CSR-Policy-CDEL.pdf |

### Meeting and attendance during the year

During the financial year 2025-26, the Corporate Social Responsibility Committee was held on 29 May 2025 and all the members were present at such meeting.

### 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 |
|---|---|---|---|
| 2022-23 | 15 September 2023 at 11 A.M | Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") | Nil |
| 2023-24 | 27 September 2024 at 11A.M | Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") | Nil |
| 2024-25 | 18 September 2025 at 11A.M | Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") | 1. Regularisation of Additional Director Mr.Bokkasa Chandrashekhar Rao by appointing him as Non executive Independent Director of the company<br><br>2. Regularisation of Additional director Mrs.Sowrabhi Ramadas by appointing her as Non |

| Year | Date and Time | Venue | Special Resolution, if any |
|---|---|---|---|
| | | | Executive Non Independent Director<br><br>3. Reappointment of Mrs.Malavika Hegde as CEO and Whole Time Director of the company.<br><br>4. Reappointment of Mr.K.R Mohan as an Independent Director of the company.<br><br>5.Reappointment of Dr.Vasundhara Devi as Woman Independent Director of the company. |

## Role of Company Secretary & Compliance Officer

The Company Secretary plays a key role of ensuring that the Board meetings (including committees thereof) are conducted as per the rules and the regulations.

## 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 'Prajavani' (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, 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: https://www.coffeeday.com/stakeholders.html#section1

**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@coffeedaygroup.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

**18th Annual General Meeting (AGM):**

The 18th AGM of the Company will be held on Monday, the 21 September 2026 at 11:00 A.M.(IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

**Financial Year and Tentative Financial Calendar:**

The company follows 1st April to 31 March as the financial year.

Schedule for declaration of financial results during the financial year 2026-27 and next AGM is as under:

| | |
|---|---|
| Results of Quarter ending 30 June 2026 | 6 August 2026 |
| Results of Quarter and half year ending 30 September 2026 | 13 November 2026 |
| Results of Quarter and nine months ending 31 December 2026 | 12 February 2027 |
| Results of financial year ending 31 March 2027 | 28 May 2027 |
| AGM for the year ending 31 March 2027 | 30 September 2027 |

**i. Dividend Payment Date:**

During the financial year 2025-26, no dividend has been declared by the Company; hence this clause is not applicable to the Company.

**ii. Listing on Stock Exchanges:**

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

**Payment of Listing Fees**

Annual listing fee for the year 2026-27 has been paid by the Company to BSE & NSE.

**iii. International Securities Identification Number (ISIN):**

ISIN of the Company is - INE335K01011

## C. Market Price data during 2025-26

i) The monthly high/low closing prices of shares of the Company from 1 April 2025 to 31 March 2026 are given below:

| | BSE | | NSE | |
|---|---|---|---|---|
| Month | High Price | Low Price | High Price | Low Price |
| Apr-25 | 32.11 | 26.85 | 31.42 | 27.01 |
| May-25 | 35.67 | 28.77 | 34.99 | 28.98 |
| Jun-25 | 38.85 | 29.5 | 38.99 | 29.51 |
| Jul-25 | 42.45 | 32.75 | 42.4 | 32.77 |
| Aug-25 | 50.94 | 34.24 | 50.78 | 34.21 |
| Sep-25 | 51.49 | 38.7 | 51.46 | 38.46 |
| Oct-25 | 44.79 | 39.5 | 44.8 | 39.55 |
| Nov-25 | 42.6 | 35.51 | 42.49 | 35.16 |
| Dec-25 | 39 | 30.38 | 39 | 30.32 |
| Jan-26 | 36.9 | 30.04 | 36.55 | 30.06 |
| Feb-26 | 35.1 | 29.65 | 35.37 | 29.67 |
| Mar-26 | 30.49 | 21.05 | 29.63 | 21 |

**ii) Performance of the Company's Stock in Comparison to BSE FMCG Sensex**

| Month | COFFEEDAY share price | BSE FMCG |
|---|---|---|
| Apr-25 | 32.11 | 19611.99 |
| May-25 | 31.77 | 19528.82 |
| Jun-25 | 37.46 | 20549.55 |
| Jul-25 | 35.85 | 22507.43 |
| Aug-25 | 50.07 | 23022.21 |
| Sep-25 | 41.96 | 23787.61 |
| Oct-25 | 41.84 | 21663.37 |
| Nov-25 | 36.22 | 21213.42 |
| Dec-25 | 36.37 | 20771.92 |
| Jan-26 | 30.39 | 20555.27 |
| Feb-26 | 30.22 | 18382.82 |
| Mar-26 | 21.13 | 19447.48 |

## D. Share Transfer System

SEBI, effective April 01, 2019, barred physical transfer of shares of listed companies and mandated transfers only through demat. However, investors are not barred from holding shares in physical form. We request shareholders whose shares are in physical mode to dematerialize their shares. Shareholders holding shares in dematerialized mode have been requested to register their email address, bank account details and mobile number with their depository participants. Those holding shares in physical mode have been requested to furnish PAN, nomination contact details, bank account details and specimen signature for their corresponding folios. Shareholders may contact the RTA MUFG Intime India Private Limited, Mumbai.

The Equity shares of the Company are in Demat form except who holds 242 shares in physical form.

## E. Distribution of the Shareholding:

The distribution of shareholding (category wise) as at March 31, 2026 is as under:

| Category | Demat Securities | Demat Holders | Physical Securities | Physical Holders | Total Securities | Total Holders | %-Issued Capital |
|---|---|---|---|---|---|---|---|
| Corporate Bodies (Promoter Co) | 14813648 | 3 | 0 | 0 | 14813648 | 3 | 7.01 |
| Clearing Members | 1516747 | 26 | 0 | 0 | 1516747 | 26 | 0.71 |
| Other Bodies Corporate | 11416096 | 418 | 0 | 0 | 11416096 | 418 | 5.40 |
| Foreign Company | 10061189 | 1 | 0 | 0 | 10061189 | 1 | 4.76 |
| Hindu Undivided Family | 6630339 | 2587 | 6 | 2 | 6630345 | 2589 | 3.1386 |
| Non Resident Indians | 4269405 | 832 | 0 | 0 | 4269405 | 832 | 2.0210 |
| Non Resident (Non Repatriable) | 2397711 | 818 | 0 | 0 | 2397711 | 818 | 1.1350 |
| Public | 145746556 | 151785 | 236 | 32 | 145746792 | 151817 | 68.9920 |
| Promoters | 1737402 | 2 | 0 | 0 | 1737402 | 2 | 0.8224 |
| Trusts | 5253601 | 4 | 0 | 0 | 5253601 | 4 | 2.4869 |

| Category | Demat Securities | Demat Holders | Physical Securities | Physical Holders | Total Securities | Total Holders | %-Issued Capital |
|---|---|---|---|---|---|---|---|
| Body Corporate - Ltd Liability Partnership | 587598 | 36 | 0 | 0 | 587598 | 36 | 0.2782 |
| FPI (Corporate) - I | 1190837 | 11 | 0 | 0 | 1190837 | 11 | 0.5637 |
| Alternate Invst Funds - I | 2500000 | 1 | 0 | 0 | 2500000 | 1 | 1.1834 |
| NBFCs registered with RBI | 2525000 | 2 | 0 | 0 | 2525000 | 2 | 1.1953 |
| FPI (Corporate) - II | 605348 | 1 | 0 | 0 | 605348 | 1 | 0.2866 |
| **TOTAL :** | **211251477** | **156527** | **242** | **34** | **211251719** | **156561** | **100** |

## F. Distribution of shareholding by number of shares:

| SERIAL # | SHARES RANGE | | | NUMBER OF SHAREHOLDERS | % OF TOTAL SHAREHOLDERS | TOTAL SHARES FOR THE RANGE | % OF ISSUED CAPITAL |
|---|---|---|---|---|---|---|---|
| 1 | 1 | to | 500 | 125370 | 80.0774 | 13588262 | 6.4323 |
| 2 | 501 | to | 1000 | 13211 | 8.4382 | 10578269 | 5.0074 |
| 3 | 1001 | to | 2000 | 7638 | 4.8786 | 11650029 | 5.5148 |
| 4 | 2001 | to | 3000 | 3081 | 1.9679 | 7905829 | 3.7424 |
| 5 | 3001 | to | 4000 | 1509 | 0.9638 | 5398383 | 2.5554 |
| 6 | 4001 | to | 5000 | 1402 | 0.8955 | 6629841 | 3.1384 |
| 7 | 5001 | to | 10000 | 2213 | 1.4135 | 16737469 | 7.9230 |
| 8 | 10001 | to | above | 2137 | 1.3650 | 138763637 | 65.6864 |
| **Total** | | | | **156561** | **100.0000** | **211251719** | **100.0000** |

## G. Dematerialization of shares and liquidity:

242 (Two hundred forty two) shares constituting 0.0001% of the paid up share capital of the Company were in physical form as at 31st March, 2026. There are no outstanding GDRs/ ADRs/ Warrants and convertible instruments.

## H. CONTACT INFORMATION:

### Investor Grievances Correspondence

Mr. Sadananda Poojary
Company Secretary and Compliance Officer
E-mail id: investors@coffeedaygroup.com

### Registrar and Share Transfer Agents

MUFG Intime India Private Limited
C 101, Embassy 247,
LBS Marg, Vikhroli (West),
Mumbai (MH) – 400083
Tel: +91 22 4918 6000
Email: mumbai@in.mpms.mufg.com

### Registered Office Address:

Coffee Day Enterprises Limited
No. 165, R. V. Road, (Near Minerva Circle)
Bangalore-560004

## I. 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** except:

**Order of non-disclosure of the fraud categorization of CDGL, a material subsidiary of the Company by Lakshmi Vilas Bank**:-

During FY 2024–25, the Company continued to pursue the matter relating to the order concerning the alleged non-disclosure of the fraud categorisation of Coffee Day Global Limited ("CDGL"), a material subsidiary of the Company, by Lakshmi Vilas Bank. Upon inspection of the documents obtained from SEBI, it was noted that CDGL had neither availed any credit facility from nor received any guarantee from Lakshmi Vilas Bank. Accordingly, the Company was of the view that the categorisation of CDGL as a fraud entity was without any factual basis.

Based on the legal advice received from Zerick Dastur Advocates, the Company's counsel in the matter, the Company opted to resolve the proceedings through the SEBI settlement mechanism. Accordingly, the Internal Committee of SEBI, by its settlement recommendation dated 7 May 2024, determined a settlement amount of ₹7,52,400. The Board of Directors, at its meeting held on 24 May 2024, approved the payment of the settlement amount, and the Company duly remitted the said amount. Thereafter, SEBI passed the Settlement Order on 13 August 2024, thereby concluding the settlement proceedings in respect of the matter. The settlement amount paid by the Company was ₹7,52,400./-

**Delay in filing prior intimation:** During the financial year 2022-23, there was an inadvertent delay in the filing relating to the Board Meeting held on 12 August 2022 for taking on record the unaudited financial results of the Company for the quarter ended 30 June 2022. Although the prior intimation of the Board Meeting was submitted to BSE on 8 August 2022, the Company was subjected to penalties by both the stock exchanges for the delay in the relevant filing/compliance. Accordingly, each of the stock exchanges levied a penalty of ₹10,000, aggregating to ₹20,000, which has since been duly paid by the Company. The delay was inadvertent in nature, and the Company has strengthened its internal compliance processes and implemented necessary measures to ensure that such instances do not recur in the future.

During the year, the Company received an Adjudication Order dated March 2, 2026 from the Securities and Exchange Board of India (SEBI) under Section 15-I of the SEBI Act, 1992 in relation to alleged non-compliance with certain provisions of the SEBI Act, 1992 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to financial reporting and disclosures for the financial years 2020-21 to 2023-24. Pursuant to the said Order, a monetary penalty was imposed on the Company under Section 15HB of the SEBI Act, 1992.

The Company continues to believe that its financial statements were prepared in compliance with the applicable provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards, and that adequate disclosures had been made in the financial statements. However, considering the time, cost and resources involved in pursuing appellate proceedings, the Company, as a matter of commercial prudence and without prejudice to its rights and contentions, has paid the monetary penalty. Such payment shall not be construed as an admission of the findings contained in the Adjudication Order. The said Order has no material impact on the financial position, operational performance, going concern status or future operations of the Company.

## 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 has been made available on the Company's official website and can be accessed at the web link: https://coffeeday.com/Stakeholders/Code_of_Conduct/CODE-OF-CONDUCT.pdf

A declaration confirming compliance with the Code of Conduct by the Directors and Senior Management Personnel for FY 2025-26, signed by the Chief Executive Officer, is annexed to this Report.

## Whistle Blower Policy/ Vigil mechanism:

In line with Regulation 22 of the Listing Regulations and Section 177(9) 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.

Contact details of Chairman of Audit committee as under:

Name : K.R.Mohan
43 New No.22, 3rd Floor 16th Cross,
8th Main, Malleswaram
Bangalore Karnataka 560055
Contact No.: 080-67212345
Email investors@coffeedaygroup.com

The Whistle Blower Policy is available on the Company's official website and may be accessed through web link: https://coffeeday.com/PDF/WhistleBlower.pdf

## Related Party Contracts or Arrangements:

All Related Party Transactions that were entered into during the financial year 2025-26 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.

The Audit Committee in their meeting held on 29th May, 2025 has placed all the related parties' transactions of the company for prior approval and in the same meeting; omnibus approval of the Audit Committee was 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.

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the Form AOC-2 have been enclosed as Annexure-VII

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.

## 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 14 subsidiaries of which three subsidiaries viz. Coffee Day Global Limited, Tanglin Developments Limited and Coffee Day Trading Limited are 'material' subsidiaries. The 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.

Details of the Material Subsidiaries :

| Name of Material Subsidiary | Date and Place of Incorporation | Name and date of appointment(DOA) of the statutory auditors |
|---|---|---|
| 1. Coffee Day Global Limited | 06-12-1993 – Chikmagalur | M/s Venkatesh & Co<br>DOA : 20-04-2023 |
| 2. Tanglin Developments Limited | 28-12-1995- Bangalore | M/s Venkatesh & Co<br>DOA : 02-05-2023 |
| 3. Coffee Day Trading Limited | 09-02-2000 – Bangalore | M/s Venkatesh & Co<br>DOA : 02-05-2023 |

## Reconciliation of Share Capital Audit:

A Qualified Practicing Company Secretary carried out a share capital audit under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, 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.

## 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: https://coffeeday.com/Stakeholders/Policies/ArchivalPolicy.pdf

## Compliance with mandatory and non-mandatory requirement:

The Company has complied with the applicable mandatory requirements relating to Corporate Governance under the Listing Regulations, except as specifically disclosed in this Report. 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:

- ***Reporting of Internal Auditor:*** The Internal Auditors, ABS & Co., reports directly to the Audit Committee of the Company.
- ***Risk Management:*** The company being a company ranked within the range of 1001 to 2000 as per market capitalisation as on 31 December has constituted Risk Management committee.

**Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:**

| Payment to Statutory Auditors | FY 2025-26 (₹ in Millions) |
|---|---|
| Audit Fees consolidated | 13.5 |

**Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**:

Number of complaints filed during the financial year 2025-26 - Nil
Number of complaints disposed off during the financial year 2025-26 - Nil
Number of complaints pending as on end of the financial year-2025-26 - Nil
Number of complaints pending more than 90 days as on end of the financial year-2025-26 - Nil

## Insider Trading Regulations

The Company has adopted the Coffee Day Code of Conduct for Prevention of Insider Trading and Code of Fair Disclosure Practices. This Code of Conduct is applicable to all Directors and such designated persons who are expected to have access to unpublished price sensitive information relating to the Company.

## Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

The Company has not granted any loans or advances in the nature of loans to firms or companies in which directors are interested during the year.

## Disclosure under Schedule V(F) of SEBI listing Regulations

The company does not have shares in the demat suspense account or unpaid suspense account.

## Certificate on Corporate Governance

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

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

## Declaration by the Chief Executive Officer 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 31 March, 2026.

For **Coffee Day Enterprises Limited**

Place: Bangalore
Date: 27 May 2026

***Sd/-***
**Malavika Hegde**
Chief Executive Officer

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

| | | |
|---|---|---|
| Name of the Company | : | Coffee Day Enterprises Limited |
| Corporate Identification Number | : | L55101KA2008PLC046866 |

I, Akshay G, Company Secretary in whole time practice, bearing Fellow Membership Number F10967, Certificate of Practice Number 15584, having office at #615/22, IV Cross, Raghavendra Colony, Bilekahalli, Behind IIMB, Bannerghatta Road, Bengaluru – 560076, Karnataka, India, having obtained the relevant information from Coffee Day Enterprises Limited (herein after referred as the Company), bearing Corporate Identification Number: L55101KA2008PLC046866, having registered office at, No. 165, R.V. Road (Near Minerva Circle), Mavalli, Bangalore, Bangalore South, Karnataka, India, 560004, hereby state the following:

We have examined the compliance of conditions of Corporate Governance by Coffee Day Enterprises Limited ('the Company') for the year ended 31st March 2026, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'). 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 of Schedule V of LODR.

We further state that 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.

Thanking you,
Yours faithfully,

Place: Bengaluru
Date: 27 May 2026

G Akshay & Associates
Practicing Company Secretary
FCS No. F10967
C.P. No. 15584
UDIN: F010967H00510281
Peer Review Certificate No.1607/2021

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

| | | |
|---|---|---|
| Name of the Company | : | Coffee Day Enterprises Limited |
| Corporate Identification Number | : | L55101KA2008PLC046866 |

I, Akshay G, Company Secretary in whole time practice, bearing Fellow Membership Number F10967, Certificate of Practice Number 15584, having office at #615/22, IV Cross, Raghavendra Colony, Bilekahalli, Behind IIMB, Bannerughatta Road, Bengaluru – 560076, Karnataka, India, having obtained the relevant information from Coffee Day Enterprises Limited (herein after referred as the Company), bearing Corporate Identification Number: L55101KA2008PLC046866, having registered office at, No. 165, R.V. Road (Near Minerva Circle), Mavalli, Bangalore, Bangalore South, Karnataka, India, 560004, hereby state the following:

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the Company, produced before me by the Company for the purpose of issuing this Certificate pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March,2026, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

| Sr. No. | Name | Designation | DIN | Date of appointment |
|---|---|---|---|---|
| 1 | Mrs. Malavika Siddhartha Hegde | Whole time Director | 00136524 | 20/06/2008 |
| 2 | Mr. Mohan Raghavendra Kondi | Independent Director | 01718628 | 07/12/2020 |
| 3 | Mrs. Chickmagalore Hanumanthegowda Vasudharadevi | Women Independent Director | 07789047 | 07/12/2020 |
| 4 | Mr. Indupura Renuka Ravish | Non-executive Director | 09180669 | 12/11/2021 |
| 5 | Mr. Bokkasa Chandrashekar Rao | Independent Director | 10407487 | 29/01/2025 |
| 6 | Mrs. Ramadas Sowrabhi | Non-executive Director | 11002032 | 17/03/2025 |

Ensuring the eligibility of the appointment or for continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Thanking you,
Yours faithfully,

Place: Bengaluru
Date: 27 May 2026

G Akshay & Associates
Practicing Company Secretary
FCS No. F10967
C.P. No. 15584
UDIN: F010967H000510411
Peer Review Certificate No.1607/2021

## 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.

Your Company has taken various initiatives for conservation of energy and reducing its environmental impact by conducting energy audits and introducing innovative ways of saving power, few of them are listed below:

- Installing advanced energy saving gadgets like capacitor banks, indigenized components like thermo controllers for the ovens and usage of LED lighting etc.
- Introducing 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.
- 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.
- Technological up-gradation by installing higher efficiency state-of-the-art machineries in the coffee roasting unit.

The above mentioned initiatives have reduced the energy consumption substantially 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, roasting, testing etc. and to align with the taste of the consumers, we have been innovating latest vending machines to cater the needs of the corporate customers.

### C) Foreign Exchange Earnings and Outgo(standalone):

| Particulars | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Foreign Exchange earned | Nil | Nil |
| Outgo of Foreign Exchange | Nil | Nil |

*For* **Coffee Day Enterprises Limited**

*Sd/-*
**Malavika Hegde.**
CEO & Whole-time Director
DIN: 00136524

*Sd/-*
**K R Mohan**
Independent Director
DIN: 01718628

Place: Bangalore
Date:27 May 2026

# FORM NO. MR -3
# SECRETARIAL AUDIT REPORT
## FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026

[Pursuant to section 204(1) of the companies Act, 2013 read with Rule 9 of the companies (Appointment and Remuneration of managerial personnel) Rules, 2014]

To,
The Members,
**COFFEE DAY ENTERPRISES LIMITED**
No. 165, R.V. Road (Near Minerva Circle),
Mavalli, Bangalore, Bangalore South,
Karnataka, India, 560004.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **COFFEE DAY ENTERPRISES LIMITED, (CIN: L55101KA2008PLC046866)** (hereinafter called **"the Company"**). Secretarial Audit was conducted for the financial year ended on **31st March 2026** in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, forms, and returns filed and other records maintained by the company and also information provided by the company, its officers, agents and authorized representatives. We hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **31st March 2026** according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the Rules made there under to the extent applicable.

(ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under.

(iii) The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under.

(iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI), overseas Direct Investment (ODI) and External Commercial Borrowings (ECB).

(v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992:

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

C) The securities and Exchange Board of India (Issued of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable for the period under review.**

D) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not applicable for the period under review.**

E) The Securities and Exchange Board of India (Issue and Listing of Debt Securities)

Regulations, 2008. - **Not applicable for the period under review.**

F) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client.

G) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable for the period under review.**

H) The Securities and Exchange Board of India (Buy -Back of Securities) Regulations, 2018 - **Not applicable for the period under review.**

I) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) The following laws, norms, regulation, directions, orders as specifically applicable to the Company:

a) Water (Prevention and control of Pollution) Act, 1974
b) Air (Prevention and control of Pollution) Act, 1981
c) Harzardous 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

We have relied on the representation made by the company & its Officers for systems & mechanism formed by the company for compliance under above-mentioned Other Laws specifically applicable to the company. We are of the opinion that the management has complied with the above-mentioned Laws.
We have also examined compliance with the applicable clauses of the following:

(i) The Listing Agreement entered by the Company with National Stock Exchange Limited and Bombay Stock Exchange Limited under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Based on the information and explanation provided, the company had no transaction during the period under Audit requiring the compliance of applicable provisions of the Act / Regulation / Directions as mentioned above in respect of:

a) Issue of Debentures
b) Issue of Dividends
c) Buy-back of securities

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards.

**We further report that:**

1. **New Show Cause Notice from SEBI and Board Decision on Adjudication:**
The Company and its Key Managerial Personnel (KMPs) received a Show Cause Notice dated **April 24, 2025**, issued by the Securities and Exchange Board of India (SEBI) under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, read with Section 15-I of the SEBI Act, 1992.
The Board of Directors, at its meetings held on October 28, 2025, and October 30, 2025, evaluated the available statutory pathways under the SEBI (Settlement Proceedings) Regulations, 2018. Following detailed deliberations on the legal and financial implications, the Board unanimously resolved on October 30, 2025, to proceed with formal adjudication proceedings before SEBI to contest the allegations on factual and legal grounds, rather than opting for a settlement framework. Further, the Company, Directors and its Key Managerial Personnel (KMPs) represented the matter before the Adjudicating Authority of SEBI and obtained an order for payment of penalty. The said penalty has been duly paid by Directors and its Key Managerial Personnel (KMPs) individually and Company has paid the penalty imposed on the Company and the matter stands closed.

2. The Company and few of its subsidiaries have received the inspection notice from the Office of the Registrar of Companies (ROC), dated July 11, 2025, issued under Section 206(5) of the Companies Act, 2013. The companies have submitted the preliminary clarifications and detailed responses to the ROC on August 11, 2025, requesting to drop the

proceedings, and the matter is currently under review.

3. **Show Cause Notice from the Enforcement Directorate (ED):** The Company received a materially important Show Cause Notice from the Enforcement Directorate (ED) under the provisions of the Foreign Exchange Management Act (FEMA), 1999. The notice pertains to alleged contraventions regarding a Foreign Direct Investment (FDI) transaction executed by the company in the year 2010. The Company has challenged this notice before the Hon'ble High Court of Karnataka, which deferred the ED proceedings via an interim stay order, and the matter remains sub-judice.

Further, the Board of Directors and committees thereof of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.

The Management has represented that 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.
As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

The Management has represented 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 period covered under the Audit, the company has not made any specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations and guidelines.

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.

| | |
|---|---|
| | **G Akshay & Associates** |
| Place: Bengaluru | Practicing Company Secretary |
| Date:27 May 2026 | Membership No. F10967 |
| | C. P. No. 15584 |
| | PRN-1607/2021 |
| | **UDIN: F010967H000510367** |

*This place is intentionally left blank*

*Annexure-A*

To,
**The Members,**
**COFFEE DAY ENTERPRISES LIMITED**
No. 165, R.V. Road (Near Minerva Circle),
Mavalli, Bangalore, Bangalore South,
Karnataka, India, 560004.

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. Our Audit report is limited to the verification and reporting of the statutory compliances on law / regulation / guidelines listed in our report and the same pertains to the Financial Year ended **31st March, 2026**. Our report does not include those statutory compliances the filing whose dates are extended by Ministry of Corporate Affairs/ Securities Exchange Board of India/ Reserve Bank of India as the case may be, from time to time and accordingly such extended time limits remain beyond the date of our audit report.

3. 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.

4. 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.

5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

6. 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.

7. 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.

Place: Bengaluru
Date: 27 May 2026

**G Akshay & Associates**
Practicing Company Secretary
Membership No. F10967
C. P. No. 15584
PRN-1607/2021
**UDIN: F010967H000510367**

# FORM NO. MR -3
# SECRETARIAL AUDIT REPORT
## FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2026

[Pursuant to section 204(1) of the companies Act, 2013 read with Rule 9 of the companies (Appointment and Remuneration of managerial personnel) Rules, 2014]

To,
The Members
**COFFEE DAY GLOBAL LIMITED**
No. 165, R.V. Road (Near Minerva Circle), Mavalli, Bangalore, Bangalore South, Karnataka, India, 560004.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, whereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2026** ('Audit Period') complied with the statutory provisions listed here under 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 herein after;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on **31st March, 2026** according to the provisions of:

(i) The Companies Act,2013 (the Act) and the rules made there under;
The company has done the following non compliances:

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under- **(Not applicable to the Company during Audit period since the Company is not listed);**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The Company has entered into an agreement with NSDL for Dematerialization of securities. However, the company being unlisted company was not required to comply with Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 with respect to the reconciliation of share capital audit.

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vi) 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; **(Not applicable to the Company during Audit period since the Company is not listed).**

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company during Audit period since the Company is not listed).**

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not**

**applicable to the Company during Audit period since the Company is not listed).**

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; The Company has appointed R&T Agent. However, the company being an unlisted company, has not entered any Listing agreement with any of the stock exchanges.

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

(vii) 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. Food Safety and Standards Authority of India Act, 2006
d. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
e. Factories Act, 1948
f. Payment of Wages Act, 1936
g. Minimum Wages Act,1948
h. Employees' State Insurance Act, 1948
i. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
j. Payment of Bonus Act, 1965
k. Payment of Gratuity Act, 1972
l. Contract Labour (Regulations & Abolition) Act, 1970
m. Maternity Benefit Act,1961

We have relied on the representation made by the company & its Officers for systems & mechanism formed by the company for compliance under above-mentioned Other Laws specifically applicable to the company. We are of the opinion that the management has complied with the above-mentioned Laws.

We 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 Company is an Unlisted Public Company and have not entered into any Listing Agreements with Stock exchange.

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

***1. As per Rule 18 (1) (a) of the Companies (Share Capital and Debentures) Rules, 2014, an issue of secured debentures may be made, provided the date of its redemption shall not exceed ten years from the date of issue.***

***However, the Company has issued 67,90,285 compulsary convertible debentures(CCDs) on 19th January, 2010 through Special Resolution and allotted on 30th March 2010 by the Board of the Company to the Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V ("Fmo"), Out of 67,90,285 CCDs, 50,93,256 CCDs have been converted in to equity shares and the balance of 16,97,569 CCDs have not been redeemed till the date of report.***

The Board of Directors and committees thereof 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 and committees that took place during the period under review were carried out in compliance with the provisions of the Act subject to the observations in this report.

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.

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

The 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 needs to be strengthened.
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.

| | |
|---|---|
| | **G Akshay & Associates** |
| Place: Bengaluru | Practicing Company Secretary |
| Date: 27 May 2026 | Membership No. F10967 |
| | C. P. No. 15584 |
| | PRN-1607/2021 |
| | **UDIN:** F010967H000679965 |

*Annexure-A*

**To,**
**The Members**
**M/s. COFFEE DAY GLOBAL LIMITED**
No. 165, R.V. Road (Near Minerva Circle), Mavalli, Bangalore, Bangalore South, Karnataka, India, 560004.

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. Our Audit report is limited to the verification and reporting of the statutory compliances on law / regulation / guidelines listed in our report and the same pertains to the Financial Year ended **31st March, 2026.** Our report does not include those statutory compliances the filing whose dates are extended by Ministry of Corporate Affairs/ Securities Exchange Board of India/ Reserve Bank of India as the case may be, from time to time and accordingly such extended time limits remain beyond the date of our audit report.

3. 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.

4. 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.

5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

6. 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.

7. 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

**G Akshay & Associates**
Practicing Company Secretary
Membership No. F10967
C. P. No. 15584
PRN-1607/2021
**UDIN:** F010967H000679965

Place: Bengaluru
Date: 27 May 2026

# FORM NO. MR -3
# SECRETARIAL AUDIT REPORT
### FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2026

[Pursuant to section 204(1) of the companies Act, 2013 read with Rule 9 of the companies (Appointment and Remuneration of managerial personnel) Rules, 2014]

To,

The Members,
**COFFEE DAY TRADING LIMITED**
No. 165, R.V. Road (Near Minerva Circle), Mavalli, Bangalore, Bangalore South, Karnataka, India, 560004.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **COFFEE DAY TRADING LIMITED, (CIN: U74140KA2000PLC02636)** (hereinafter called **"the Company"**). Secretarial Audit was conducted for the financial year ended on **31st March 2026** in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, forms, and returns filed and other records maintained by the company and also information provided by the company, its officers, agents and authorized representatives. We hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **31st March 2026** according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the Rules made there under to the extent applicable.

(ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under. **- Not applicable for the period under review.**

(iii) The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under. The Company has entered into an agreement with NSDL for Dematerialization of securities, however, the company being unlisted company was not required to comply with Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 with respect to the reconciliation of share capital audit.

(iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI), overseas Direct Investment (ODI) and External Commercial Borrowings (ECB).

(v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992:

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not applicable for the period under review**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not applicable for the period under review**

c) The securities and Exchange Board of India (Issued of Capital and Disclosure Requirements Regulations, 2018 - **Not applicable for the period under review.**

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **- Not applicable for the period under review.**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable for the period under review.**

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client - **Not applicable for the period under review.**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable for the period under review.**

h) The Securities and Exchange Board of India (Buy -Back of Securities) Regulations, 2018 **- Not applicable for the period under review.**

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not applicable for the period under review**

(vi) The following laws, norms, regulation, directions, orders as specifically applicable to the Company:

a) Applicable Labor Laws.
b) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have relied on the representation made by the company & its Officers for systems & mechanism formed by the company for compliance under above-mentioned Other Laws specifically applicable to the company. We are of the opinion that the management has complied with the above-mentioned Laws.

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

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

On the basis of the information and explanation provided, the company had no transaction during the period under Audit requiring the compliance of applicable provisions of the Act / Regulation / Directions as mentioned above in respect of:

a) Issue of Debentures
b) Issue of Dividends
c) Buy-back of securities

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards, except the following;

1. ***Pursuant to Section 203 of the Companies Act, 2013, every Public Company having a paid-up share capital of Rs. 10 Crore or more is required to appoint whole time KMPs. However, the company has not appointed Whole Time Key Managerial Personnel(s) as on date.***

**We further report that:**

1. Pursuant to Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company has facilitated the dematerialisation of its existing securities to all shareholders. However, certain shareholders have not yet submitted the requisite requests or completed the necessary formalities with their respective Depository Participants for conversion of their physical equity shares into dematerialised form.

2. **Non-Appointment of Company Secretary:**
The Company has failed to appoint a whole-time Company Secretary (CS) as required under the provisions of Section 203 of the Companies Act, 2013, read with the rules made thereunder.

The Board of Directors and committees thereof of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.

provisions of the Act subject to the observations in this report.

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.

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

The 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 needs to be strengthened.
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.

Place: Bengaluru
Date: 27 May 2026

**G Akshay & Associates**
Practicing Company Secretary
Membership No. F10967
C. P. No. 15584
PRN-1607/2021
**UDIN:** F010967H000679965

*This place is intentionally left blank*

*Annexure-A*

**To,**

The Members,
**COFFEE DAY TRADING LIMITED**
No. 165, R.V. Road (Near Minerva Circle), Mavalli, Bangalore, Bangalore South, Karnataka, India, 560004.

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. Our Audit report is limited to the verification and reporting of the statutory compliances on law / regulation / guidelines listed in our report and the same pertains to the Financial Year ended 31st March, 2026. Our report does not include those statutory compliances the filing whose dates are extended by Ministry of Corporate Affairs/ Securities Exchange Board of India/ Reserve Bank of India as the case may be, from time to time and accordingly such extended time limits remain beyond the date of our audit report.
3. 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.
4. 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
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. 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.
7. 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.

Place: Bengaluru
Date: 27 May 2026

**G Akshay & Associates**
Practicing Company Secretary
Membership No. F10967
C. P. No. 15584
PRN-1607/2021

**UDIN:** F010967H000680053

# FORM NO. MR -3

# SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026**

[Pursuant to section 204(1) of the companies Act, 2013 read with Rule 9 of the companies (Appointment and Remuneration of managerial personnel) Rules, 2014]

To,

The Members,
**TANGLIN DEVELOPMENTS LIMITED**
No. 165 R.V. Road (Near Minerva Circle),
Mavalli, Bangalore South, Karnataka, India – 560004

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TANGLIN DEVELOPMENTS LIMITED (CIN: U85110KA1995PLC019495)** (hereinafter called "the Company"). Secretarial Audit was conducted for the financial year ended on **31st March 2026** in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, forms, and returns filed and other records maintained by the company and also information provided by the company, its officers, agents and authorized representatives. We hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 2026 according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the Rules made there under to the extent applicable.

(ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under. – **Not applicable for the period under review.**

(iii) The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under. The Company has entered into an agreement with NSDL for Dematerialization of securities, however, the company being unlisted company was not required to comply with Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 with respect to the reconciliation of share capital audit.

(iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under – **Not applicable for the period under review.**

(v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992:

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, – **Not applicable for the period under review.**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 – **Not applicable for the period under review.**

c) The securities and Exchange Board of India (Issued of Capital and Disclosure Requirements Regulations, 2018 - **Not applicable for the period under review.**

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not applicable for the period under review.**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable for the period under review.**

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client **- Not applicable for the period under review**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable for the period under review.

h) The Securities and Exchange Board of India (Buy -Back of Securities) Regulations, 2018 - **Not applicable for the period under review.**

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not applicable for the period under review.**

(vi) The following laws, norms, regulation, directions, orders as specifically applicable to the Company:

a) Applicable Labor Laws
b) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have relied on the representation made by the company & its Officers for systems & mechanism formed by the company for compliance under above-mentioned Other Laws specifically applicable to the company. We are of the opinion that the management has complied with the above-mentioned Laws.

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

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

On the basis of the information and explanation provided, the company had no transaction during the period under Audit requiring the compliance of applicable provisions of the Act / Regulation / Directions as mentioned above in respect of:

a) Issue of Debentures
b) Issue of Dividends
c) Buy-back of securities

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards,

**We further report that, except as provided above:**

(a) Pursuant to Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company has facilitated the dematerialisation of its existing securities to all shareholders. However, certain shareholders have not yet submitted the requisite requests or completed the necessary formalities with their respective Depository Participants for conversion of their physical equity shares into dematerialised form.

The Board of Directors and committees thereof of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.

The Management has represented that 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.

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

The Management has represented 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 period covered under the Audit, the company has not made any specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations and guidelines.

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.

**G Akshay & Associates**
Practicing Company Secretary
Membership No. F10967
C. P. No. 15584
PRN-1607/2021
**UDIN:** F010967H000680163

Place: Bengaluru
Date: 27 May 2026

**Annexure-A**

To,
The Members
**M/s. Tanglin Developments Limited**
No. 165 R.V. Road (Near Minerva Circle),
Bangalore South, Karnataka, India – 560004.

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

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.

Our Audit report is limited to the verification and reporting of the statutory compliances on law / regulation / guidelines listed in our report and the same pertains to the Financial Year ended **31st March, 2026**. Our report does not include those statutory compliances the filing whose dates are extended by Ministry of Corporate Affairs/ Securities Exchange Board of India/ Reserve Bank of India as the case may be, from time to time and accordingly such extended time limits remain beyond the date of our audit report.

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.

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.

Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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.

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.

Place: Bengaluru
Date: 27 May 2026

**G Akshay & Associates**
Practicing Company Secretary
Membership No. F10967
C. P. No. 15584
PRN-1607/2021
**UDIN:** F010967H000680163

## DISCLOSURE OF REMUNERATION

*Pursuant to 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 2025-26** | **Designation** | **Ratio** |
| | Mrs. Malavika Hegde | Whole-time Director | **NIL** |
| **2.** | The remuneration paid to Non Executive Non Independent and Independentdirectors were as below: | **Designation** | |
| | Mr. K.R. Mohan | Non Executive Independent Director | Sitting fee for attending Board & committee Meetings is Rs. 1,00,000/- per meeting. Except sitting fees they do not draw any remuneration. |
| | Dr. Vasundhara Davi | Woman Independent Director | |
| | Dr. I.R Ravish | Non-Executive Non Independent Director | |
| | Mr. B Chandrashekar Rao | Non Executive Independent Director | |
| | Mrs. Sowrabhi Ramadas | Non-Executive Non Independent Director | |
| **3.** | The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year | CEO | No Remuneration |
| | | CFO | 5.56% |
| | | CS | Refer Note - 1 |
| **4.** | The percentage increase in the median remuneration of employees in the financial year | 12% salary increment in the median remuneration of the employees in the financial year. | |
| **5.** | The number of permanent employees on the roll of the Company | 148 | |
| **6.** | 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 | 11% average salary increase for non-managerial personnel and 5% increase for Managerial personnel. | |
| **7.** | Affirmation that the remuneration is as per the remuneration policy of the company | Yes, it is affirmed. | |

Note 1: The Company Secretary's salary is based on the time allocated.

Place: Bangalore
Date: 27 May 2026

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

*Sd-*
**Malavika Hegde**
Whole-time Director
DIN - 00136524

*Sd-*
**K R Mohan**
Independent Director
DIN: 01718628

**Form AOC-1**

*(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)*

ANNEXURE-VI

**"Part -A : Subsidiaries"**

**Statement containing salient features of the financial statements of the Subsidiary Companies as on March 31, 2026**

***(₹ In Crores)***

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| S. No. | Name of the Subsidiary Company | Reporting period | Reporting currency | Exchange rate as on March 31, 2026 | Share Capital | Reserves & Surplus | 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 |
| 1 | Coffee Day Global Limited | Apr-March | INR | 1.00 | 19.15 | 461.52 | 1,818.97 | 1,338.30 | - | 51.71% | 1,092.26 | (7.72) | (5.44) | (2.27) | - |
| 2 | Classic Coffee Curing Works | Apr-March | INR | 1.00 | 3.10 | (6.35) | 7.16 | 10.42 | - | 100% | - | (2.02) | - | (2.02) | - |
| 3 | Coffeelab Limited | Apr-March | INR | 1.00 | 0.06 | (0.72) | 1.47 | 2.14 | - | 100% | 1.67 | 0.17 | 0.03 | 0.20 | - |
| 4 | Coffeeday Hotels & Resorts Private Limited | Apr-March | INR | 1.00 | 11.22 | (52.30) | 185.56 | 226.63 | 20.22 | 100.00% | 2.82 | 18.46 | - | 18.46 | - |
| 5 | Wilderness Resorts Private Limited | Apr-March | INR | 1.00 | 1.28 | (11.25) | 39.96 | 49.93 | - | 100.00% | - | (0.38) | - | (0.38) | - |
| 6 | Karnataka Wildlife Resorts Private Limited | Apr-March | INR | 1.00 | 1.30 | (20.00) | 37.54 | 56.24 | - | 100.00% | - | 0.06 | (1.35) | 1.41 | - |
| 7 | Tanglin Developments Limited | Apr-March | INR | 1.00 | 5.13 | 910.76 | 2,529.14 | 1,613.25 | 37.89 | 87.12% | - | 3.70 | 0.20 | 3.50 | - |
| 8 | Tanglin Retail Reality Developments Private Limited | Apr-March | INR | 1.00 | 0.10 | (466.94) | 1,460.41 | 1,927.25 | 0.01 | 100.00% | - | (0.08) | - | (0.08) | - |
| 9 | Giri Vidhyuth (India) Limited | Apr-March | INR | 1.00 | 0.87 | (207.89) | 370.79 | 577.81 | - | 100.00% | - | (0.05) | - | (0.05) | - |
| 10 | Coffee Day Kabini Resorts Limited | Apr-March | INR | 1.00 | 0.00 | (99.83) | 11.27 | 111.10 | - | 100.00% | 0.12 | 0.11 | 0.03 | 0.08 | - |
| 11 | Coffee Day Trading Limited | Apr-March | INR | 1.00 | 34.83 | 1,197.42 | 1,379.23 | 146.98 | 8.63 | 88.77% | - | (5.83) | - | (5.83) | - |
| 12 | Marnes Enterprises Private Limited (Formerly known as Way2Wealth Enterprises Private Limited ) | Apr-March | INR | 1.00 | 10.00 | (9.62) | 0.40 | 0.02 | - | 100.00% | - | (0.01) | - | (0.01) | - |
| 13 | Marnes HRM Services Private Limited ( Formerly known as Way2Wealth Capital Private Limited ) | Apr-March | INR | 1.00 | 0.01 | (0.30) | 0.00 | 0.29 | - | 100.00% | - | (0.00) | - | (0.00) | - |
| 14 | Calculus Traders LLP | Apr-March | INR | 1.00 | 0.01 | (0.08) | 0.00 | 0.08 | - | 99.99% | - | (0.78) | - | (0.78) | - |

** Note: A.N Coffeeday International Limited, Coffeeday Gastronomie Und Kaffeehandles Gmbh and Coffee Day C Z (Foreign Subsidiaries) have already been liquidated.*

**Coffee Day Enterprises Limited**

*Sd/-*
**Malavika Hegde**
*CEO & Whole-time Director*
DIN: 00136524

*Sd/-*
**K R Mohan**
*Independent Director*
DIN: 01718628

Place: Bangalore
Date: 27 May 2026

## Part -B : Associates and Joint Ventures

### Statement containing salient features of the financial statements of the Associates and Joint Ventures as on March 31, 2026

***(₹ In Crores)***

| 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 or Joint Venture** | **Percentage of Holding** | **Reason why the Associate is not consolidated** | **Net worth attributable to shareholding as per latest audited Balance Sheet** | **Profit Considered in Consolidation** |
| 1 | Barefoot Resorts and Leisure India Private Limited | Associate | 31-Mar-26 | 17,672 | 16.00 | 27.69% | NA | 15.65 | 0.06 |
| 2 | Coffee Day Schaerer Technologies Private Limited | Joint Venture | 31-Mar-26 | 6,86,000 | 0.69 | 49.00% | NA | 3.16 | 3.16 |
| 3 | Coffee Day Consultancy Services Private Limited (Consolidated) | Joint Venture | 31-Mar-21 | 26,00,00,020 | 26.00 | 51.00% | NA | - | - |
| 4 | Magnasoft Consilting India Private Limited (Consolidated) | Associate | 31-Mar-26 | 2,61,85,728 | 8.63 | 47.07% | NA | 16.87 | 2.96 |
| 5 | AC & C Hospitality Resorts LLP | Associate | 31-Mar-26 | NA | 0.10 | 49.89% | NA | 38.12 | 1.66 |

**Notes:**

1 There is a significant influence due to percentage of capital

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

*Sd/-*
**Malavika Hegde**
*CEO & Whole-time Director*
DIN: 00136524

*Sd/-*
**K R Mohan**
*Independent Director*
DIN: 01718628

Place: Bangalore
Date: 27 May 2026

ANNEXURE - VII

# FORM AOC-2

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

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

(a) Name(s) of the related party and nature of relationship- NA

(b) Nature of contracts/arrangements/transactions-NA

(c) Duration of the contracts/arrangements/transactions- NA

(d) Salient terms of the contracts or arrangements or transactions including the value, if any-NA

(e) Justification for entering into such contracts or arrangements or transactions- NA

(f) date(s) of approval by the Board- NA

(g) Amount paid as advances, if any:- NA

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188- NA

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

During the year under review, the Company has not entered into any material contracts, arrangements or transactions with related parties referred to in Section 188 of the Companies Act, 2013. Below are the transactions between the related parties during the year under review.

| | | |
|---|---|---|
| a. | **Name(s) of the related party and nature of relationship** | AC & C Hospitality Resorts LLP |
| b. | **Nature of contracts/ arrangements / transactions** | Hospitality service |
| c. | **Duration of the contracts / arrangements / transactions** | Yearly |
| d. | **Salient terms of the contracts or arrangements or transactions including the value, if any:** | ₹ 32.76 Millions |
| e. | **Date(s) of approval by the Board, if any:** | 29th May 2025 (Audit Committee omnibus approval) |
| f. | **Amount paid as advances, if any:** | NIL |

| | | |
|---|---|---|
| a. | **Name(s) of the related party and nature of relationship** | Coffee Day Global Limited |
| b. | **Nature of contracts/ arrangements / transactions** | Purchase of consumables & Payment of annual license fees for use of Brand name |
| c. | **Duration of the contracts / arrangements / transactions** | Yearly |
| d. | **Salient terms of the contracts or arrangements or transactions including the value, if any:** | ₹ 0.19 Millions |
| e. | **Date(s) of approval by the Board, if any:** | 29th May 2025 (Audit Committee omnibus approval) |
| f. | **Amount paid as advances, if any:** | NIL |

| | | |
|---|---|---|
| a. | **Name(s) of the related party and nature of relationship** | Coffee Day Hotels & Resorts Pvt Ltd |
| b. | **Nature of contracts/ arrangements / transactions** | Consultancy fee |
| c. | **Duration of the contracts / arrangements / transactions** | Yearly |
| d. | **Salient terms of the contracts or arrangements or transactions including the value, if any:** | ₹ 7.52 Millions |
| e. | **Date(s) of approval by the Board, if any:** | 29th May 2025 |
| f. | **Amount paid as advances, if any:** | NIL |

*For* **Coffee Day Enterprises Limited**

***Sd/-***
**Malavika Hegde**
CEO & Whole-time Director
DIN: 00136524

***Sd/-***
**K R Mohan**
Independent Director
DIN: 01718628

Place: Bangalore
Date:27 May 2026

# COFFEE DAY ENTERPRISES LIMITED
## CONSOLIDATED FINANCIAL STATEMENTS

1. Independent Auditors Report

2. Financial Statements & Explanatory Notes to Financial Results

3. Statement on Impact of Audit Qualifications

# INDEPENDENT AUDITOR'S REPORT

To,

**Members of**

**Coffee Day Enterprises Limited**

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Disclaimer of Opinion

We were engaged to audit the accompanying consolidated financial statements of Coffee Day Enterprises Limited (hereinafter referred to as the 'Parent company') and its subsidiaries (Parent company and its subsidiaries together referred to as 'the Group'), its associates and its joint ventures, which comprise the consolidated balance sheet as at March 31, 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

We do not express an opinion on the accompanying consolidated financial statements of the group. Because of the significance of the matter described in the Basis of Disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

### Basis for Disclaimer of Opinion

a. Attention is drawn to Note 65 of the consolidated financial statements wherein a final adjudication order dated 24.01.2023 has been served on the company under section 11 (11(4), 11(4A), 11B and 11B of the Securities and Exchange Board of India Act, 1992 read with Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 by SEBI imposed with a total monetary penalty of Rs.26,00,00,000 (Rupees Twenty-Six Crore) under Section 15HA and Section 15HB of the SEBI Act, 1992 respectively on account of violations of provisions of Section 12A(a), (b) & (c) of the SEBI Act, 1992 read with Regulations 3(b), (c) & (d) and 4(1) of the PFUTP Regulations as stated in Para 59 and 60 of its order relating to the advances to MACEL by the subsidiaries of the Company. The company appealed against the above order dated 24th January 2023 to the Hon'ble Securities Appellate Tribunal (SAT) which granted stay on the imposition of penalty. Further, the Company has initiated arbitration proceedings against MACEL. These proceedings are updated to NSE and Board members of CDEL by legal firm Crest Law. In this regard the subsidiaries of the company have filed claim statement as part of arbitration proceedings.

   No provision is made in the books of accounts against the amount receivable from MACEL. In the absence of any conclusive evidence demonstrated by the company for recoverability of the same, we are unable to comment on the recoverability, requirement or otherwise of provision on those receivables and consequential impact on these financial statements.

Further, we have in respect of 3 subsidiaries and 2 step-down subsidiaries, based on our review, have issued a disclaimer of opinion due to the possible impact of the recoverability of dues from MACEL. Hence, we are unable to comment on the recoverability of amount due from MACEL amounting to Rs.3,357.13 Crores to the group as a whole.

Similarly in the case of one other subsidiary, the other auditor has issued a disclaimer of opinion due to the possible impact of the recoverability of dues from MACEL.

b. In respect of the Holding Company and some of the subsidiaries, there are instances of non-compliance with certain debt covenants including interest & principal repayment defaults have been described. We also draw attention to the fact that the Holding Company has not obtained the balance confirmations on loans from two lenders amounting to Rs. 76.98 crores. We have been informed that during the previous years, certain lenders have exercised their right to recall the loan (refer Note 23, Note 23A and Note 29 of the consolidated financial statements). In the absence of adequate and sufficient audit evidence to establish the amounts payable to the lenders, we are unable to provide our opinion on the correctness of these amounts reflected in the consolidated financial statements and also on their consequential impact and potential tax liabilities.

c. The Consolidated Financial Statements of the Group have been prepared by the Management and Board of Directors using the going concern assumption in view of the positive net-worth of the Group (refer Note 57 of the Consolidated Financial Statements). The matters detailed in the above paragraphs may have a consequential implication on the Group's ability to continue as a going concern. We have expressed the same in the reports of two subsidiaries and three step-down subsidiaries. Further, the auditors of one subsidiary and two step-down subsidiaries have also expressed material uncertainty over going concern in their reports.

d. We draw attention to Note No.13 of the consolidated financial statements wherein in one subsidiary, there are doubts on the recoverability of capital advance dues aggregating to Rs. 275 Crores. An agreement for the purchase of land at Mumbai had been entered into which has been acquired by City & Industrial Development Corporation (CIDCO) nodal agency for acquiring land for Navi Mumbai International Airport. CIDCO has proposed alternative land in lieu of the acquisition of land. However, the party has filed legal case for monetary compensation instead of alternate land. Hence, we are unable to comment on the recoverability of amount due.

e. One of the subsidiary's of the company has not recognized a financial guarantee given to erstwhile subsidiary SICAL amounting to Rs.41.67 Crores, which has been invoked by the lenders. Due to the proposed restructuring plan with the lender regarding a settlement, we are unable to assess the impact of this matter on the financial statement. Accordingly, the level of compliance with the Indian Accounting Standards cannot be ascertained by us.

f. We have highlighted in one subsidiary that the Company is currently undergoing a corporate restructuring process with its lenders, as detailed in Note No.58 of the consolidated financial statements. This restructuring involves realigning the company's debt and interest obligations in accordance with the proposed plan, which remains pending for necessary approvals. The company has not recognized the impact of exchange fluctuation difference for the External commercial borrowings from one lender who are also a part of the proposed restructuring plan. The conversion of the foreign currency loan into rupee loans as well as applicable interest rate of 8.50% is subject to the necessary approval of the Reserve Bank of India. Pending final execution of the restructuring plan and pending necessary approvals from the RBI for the conversion of foreign currency loan, we are unable to comment on the completeness of the loan balances and its impact in these consolidated financial statements.

**Other Matters**

a. We did not audit the financial statements of one step-down subsidiary and one partnership firm, whose financial statements reflect total revenues of Rs. 1.71 Crores, total assets of Rs. 8.65 crores and total comprehensive income of Rs. (1.81) crores for the period ended on that date, as considered in the Statement. These financial statements have been certified by the management. Our conclusion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based on the management certified financial statements.

b. We did not audit the financial statements of one subsidiary having two step-down subsidiaries, whose financial statements reflect total revenues of Rs. 2.89 Crores, total assets of Rs. 263.06 Crores and total comprehensive income of Rs. 19.45 crore for the period ended 31st March 2026, as considered in the Statement. Further, we did not audit the financial statements of one associate whose share of profit of Rs. 1.67 Crores is considered in the Consolidated Financial Statements. These financial statements have been certified by other auditors whose reports have been furnished to us by the Management and our conclusion on the consolidated financial statements in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

c. Further, we also did not audit the financial statements of one associate entity having two subsidiaries, whose share of total profit of Rs. 3.26 Crores considered in the Consolidated Financial Statements. Further, we did not audit the financial statements of one joint venture whose share of profit of Rs. 3.17 Crores is considered in the Consolidated Financial Statements. These financial statements have been certified by other auditors whose reports have been furnished to us by the Management and our conclusion on the consolidated financial statements in so far as it relates to the aforesaid Associate is based solely on the reports of the other auditors.

d. Further, we did not audit the financial statement of one associate whose share of profit of Rs. 0.06 Crores is considered in the Consolidated Financial Statements. These financial statements have been certified by the Management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture is based on the management certified financial statement.

e. Further, we have not received neither the audited financial statements nor the management compiled accounts of 2 joint ventures, for the quarter ended and year ended 31st March 2026, and these have not been considered in the Statement. The company has informed that the joint ventures are inactive with the resignation of the respective directors of the company. The management has considered the last compiled accounts upto 31st March 2021. We are unable to comment, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and joint ventures in the absence of audited nor management certified financial statements.

f. During the year, the management of one subsidiary informed that 1 foreign subsidiary and 2 foreign step-down subsidiaries have been liquidated (Refer to Note 47 of Consolidated Financial statements). Consequent to the loss of control, these entities have been deconsolidated from the consolidated financial statements and the resultant gain on derecognition has been recognised in the Statement of Profit and Loss.

Our opinion on the Consolidated Financial Statements 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 management certified financial statements.

**Information other than the Consolidated Financial Statements and Auditor’s Report thereon**

The Parent company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Parent company’s annual report, but does not include the consolidated financial statements and our auditors’ report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance opinion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibility of the Management and those charged with Governance for the Consolidated Financial Statements**

The Parent company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the state of affairs, profit/loss and 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) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company 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 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 Parent company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures is responsible for overseeing the Company's financial reporting process of each Company.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our responsibility is to conduct an audit of the Consolidated financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Consolidated financial statements.

We are independent in accordance with the ethical requirements in accordance with the Code of ethics and provisions of the Act, that are relevant to our audit of the Consolidated financial statements and we have fulfilled our other ethical responsibilities in accordance with the code of ethics and the requirements under the Act.

**Report on Other Legal and Regulatory Requirement**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on consolidated financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the 'Other Matters' 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, except as stated in Basis for disclaimer opinion section.

    b. Except for the possible effects of the matters described in the Basis of disclaimer opinion section above, 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 consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account, except for the matters described in the Basis of disclaimer of opinion paragraph.

    d. Except for the effects of the matter described in Basis for disclaimer opinion paragraph, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

    e. On the basis of the written representations received from the directors of the Parent company as on March 31, 2026 taken on record by the Board of Directors of the Parent company and the reports of the statutory auditors of its subsidiary and associates companies and joint ventures incorporated in India, none of the directors of the Group, its associates and joint ventures incorporated in India is disqualified as on March 31, 2026 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 the consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g. With respect to the matter to be included in the Auditors' Report under section 197(16), in our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Parent company, its subsidiary companies, associate companies and joint ventures to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Parent company, its subsidiary companies, associate companies and joint ventures is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

   i. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its Financial Statements - Refer Note 45 to the Consolidated Financial Statements;

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

   iii. There have been no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, during the year no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, during the year no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year; hence we have no comments on the compliance with section 123 of the Companies Act, 2013.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and those issued by other auditors for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that the qualifications or adverse remarks in CARO reports as below:

| S.No | Name | CIN | Holding/ Subsidiary/ Associate/ Joint venture | Clause Number of CARO report which is qualified or adverse |
|---|---|---|---|---|
| 1 | Coffee Day Enterprises Limited | L55101KA2008PLC046866 | Parent | Clause iii(f), Clause ix(a), Clause xix, Clause xvii |
| 2 | Coffee Day Global Limited | U85110KA1993PLC015001 | Subsidiary | Clause iv, Clause vii(b), Clause ix(a), and Clause xix |
| 3 | Tanglin Development Limited | U85110KA1995PLC019495 | Subsidiary | Clause i(a)(B), Clause vii(b), Clause xix |
| 4 | Coffee Day Trading Limited | U74140KA2000PLC026366 | Subsidiary | Clause vii(a), Clause vii(b), Clause xvii and Clause xix |
| 5 | Coffee Day Kabini Resorts Limited | U55101KA2018PLC117722 | Subsidiary | Clause xix |
| 6 | Coffee Day Hotels and Resorts Private Limited | U55101KA2004PTC034591 | Subsidiary | Clause vii(b), Clause xvii and Clause xix |
| 7 | Girividhyuth India Limited | U40101KA2001PLC029866 | Step-Down Subsidiary | Clause xvii and Clause xix |
| 8 | Tanglin Retail Reality Developments Private Limited | U70102KA2007PTC044421 | Step-Down Subsidiary | Clause ix(a), Clause xvii and Clause xix |
| 9 | Marnes Hrm Services Private Limited (formerly known as Way2Wealth Capital Private Limited) | U65921KA1995PTC018960 | Step-Down Subsidiary | Clause xvii and Clause xix |
| 10 | Marnes Enterprises Private Limited (formerly known as Way2Wealth Enterprises Private Limited) | U65999AP2017PTC106315 | Step-Down Subsidiary | Clause xvii and Clause xix |

| S.No | Name | CIN | Holding/ Subsidiary/ Associate/ Joint venture | Clause Number of CARO report which is qualified or adverse |
|---|---|---|---|---|
| 11 | Wilderness Resorts Private Limited | U55101KA2005PTC035580 | Step-Down Subsidiary | Clause xvii and Clause xix |
| 12 | Karnataka Wildlife Resorts Private Limited | U92199KA2001PTC028981 | Step-Down Subsidiary | Clause xix |
| 13 | Magnasoft Consulting India Private Limited | U74140KA2000PTC026735 | Associate | Clause vii(b) and Clause xvii |

According to the information and explanations given to us, in respect of the following companies incorporated in India and included in the consolidated financial statements, the CARO report relating to them has not been issued by their auditors till the date of this audit report:

| S.No | Name | CIN | Holding/ Subsidiary/ Associate/ Joint venture |
|---|---|---|---|
| 1 | Barefoot Resorts and Leisure India Private Limited | U72200TN2000PTC045144 | Associate |
| 2 | Coffee Day Consultancy Services Private Limited | U74999KA2019PTC123085 | Joint venture |
| 3 | Coffee Day Econ Private Limited | U52609KA2019PTC123086 | Joint venture |

**For Venkatesh & Co.,**
Chartered Accountants
Firm registration number: 004636S

*-Sd-*
**CA Hrishikesh D**
Partner
Membership Number: 272865
UDIN : 26272865NZWZGL5897
Bengaluru, May 27, 2026

**Annexure A to the Independent Auditors' report on the consolidated financial statements of Coffee Day Enterprises Limited for the year ended March 31, 2026**

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

**Disclaimer of Opinion**

We were engaged to audit the consolidated financial statements and due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" paragraph below, we are unable to obtain sufficient and appropriate evidence to provide a basis for our opinion on whether the Company has adequate internal financial controls over financial reporting with reference to these Ind AS consolidated financial statements as at March 31, 2026.

**Basis for Disclaimer of Opinion**

Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph in our main audit report, we are unable to comment on the effectiveness of the internal financial controls over financial reporting with reference to these Ind AS consolidated financial statements as at March 31, 2026 and whether such internal financial controls were operating effectively. Accordingly, we do not express an opinion on the internal financial controls over financial reporting with reference to the consolidated financial statements of the Company.

**Management's Responsibility for Internal Financial Controls**

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the consolidated financial statements include 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 consolidated 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 consolidated financial statements.

**Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

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

**Other Matters**

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 consolidated financial statements insofar as it relates to seventeen subsidiary companies, three associate companies and three joint venture companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**For Venkatesh & Co.,**
Chartered Accountants
Firm registration number: 004636S

*-Sd-*
**CA Hrishikesh D**
Partner
Membership Number: 272865
UDIN : 26272865NZWZGL5897
Bengaluru, May 27, 2026

## Annexure B to the Audit Report

List of subsidiaries, associates and joint ventures included in the Consolidated Financial Statement :

| S. No. | Name of the entity | Relationship |
|---|---|---|
| 1 | Coffee Day Global Limited | Subsidiary |
| 2 | Tanglin Developments Limited | Subsidiary |
| 3 | Coffee Day Hotels and Resorts Private Limited | Subsidiary |
| 4 | Coffee Day Trading Limited | Subsidiary |
| 5 | Coffee Day Kabini Resorts Limited | Subsidiary |
| 6 | Tanglin Retail Reality Developments Private Limited | Step Down Subsidiary |
| 7 | Classic Coffee Curing Works | Step Down Subsidiary |
| 8 | Coffeelab Limited | Step Down Subsidiary |
| 9 | Marnes Hrm Services Private Limited (formerly known as Way2Wealth Capital Private Limited) | Step Down Subsidiary |
| 10 | Marnes Enterprises Private Limited (formerly known as Way2Wealth Enterprises Private Limited) | Step Down Subsidiary |
| 11 | Calculus Traders LLP | Step Down Subsidiary |
| 12 | Girividhyuth India Limited | Step Down Subsidiary |
| 13 | Wilderness Resorts Private Limited | Step Down Subsidiary |
| 14 | Karnataka Wildlife Resorts Private Limited | Step Down Subsidiary |
| 15 | Magnasoft Consulting India Private Limited | Associate |
| 16 | Barefoot Resorts and Leisure India Private Limited | Associate |
| 17 | Coffee Day Schaerer Technologies Private Limited | Joint Venture |
| 18 | Coffee Day Consultancy Services Private Limited | Joint Venture |
| 19 | Coffee Day Econ Private Limited | Joint Venture |
| 20 | AC & C Hospitality Resorts LLP (from 30-01-2025) | Associate |

**Coffee Day Enterprises Limited**
CIN: L55101KA2008PLC046866
No. 165, R V Road, (Near Minerva Circle), Bengaluru - 560004.
**Consolidated balance sheet**

*₹ in crores*

| | Note No | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 4 | 346.90 | 488.44 |
| Capital work-in-progress | 4 | 5.56 | 7.38 |
| Investment property | 5 | 25.05 | 25.58 |
| Goodwill | 6 | 1.46 | 1.46 |
| Other intangible assets | 7 | 0.87 | 0.41 |
| Intangible assets under development | 7 | - | - |
| Equity accounted investees | 8A | 73.81 | 65.65 |
| Financial assets | | | |
| - Investments | 8B | 20.12 | 13.54 |
| - Loans | 10 | 0.30 | 0.30 |
| - Other non-current financial assets | 11 | 34.97 | 71.30 |
| Deferred tax assets, (net) | 12 | 307.95 | 297.53 |
| Other non-current assets | 13 | 303.65 | 305.20 |
| **Total non-current assets** | | **1,120.64** | **1,276.79** |
| **Current assets** | | | |
| Inventories | 14 | 37.24 | 37.39 |
| Financial assets | | | |
| - Investments | 15 | 0.00 | 0.00 |
| - Trade receivables | 9 | 59.47 | 61.86 |
| - Cash and cash equivalents | 16 | 25.60 | 46.59 |
| - Bank balances other than cash and cash equivalents | 17 | 0.87 | 196.99 |
| - Loans | 18 | 2,290.95 | 2,291.20 |
| - Other current financial assets | 19 | 992.60 | 1,007.77 |
| Current tax assets, (net) | | 2.76 | 3.61 |
| Other current assets | 20 | 7.60 | 11.02 |
| | | **3,417.08** | **3,656.43** |
| Assets held for sale | 47 | 0.00 | 5.55 |
| **Total current assets** | | **3,417.08** | **3,661.98** |
| **Total assets** | | **4,537.73** | **4,938.78** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 21 | 211.25 | 211.25 |
| Other equity | 22 | 2,582.84 | 2,379.21 |
| **Equity attributable to owners of the Company** | | **2,794.09** | **2,590.46** |
| Non-controlling interests | | 362.21 | 355.46 |
| **Total equity** | | **3,156.30** | **2,945.92** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| - Borrowings | 23 | 205.01 | 200.50 |
| - Lease Liabilities | 24 | 189.88 | 197.39 |
| - Other financial liabilities | 25 | - | - |
| Provisions | 26 | 15.26 | 10.59 |
| Deferred tax liabilities, (net) | 27 | 1.96 | 1.01 |
| Other non-current liabilities | 28 | - | - |
| **Total non-current liabilities** | | **412.10** | **409.50** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| - Borrowings | 29 | 373.72 | 924.75 |
| - Lease Liabilities | 30 | 58.16 | 50.75 |
| - Trade payables | | | |
| - total outstanding dues of micro enterprises and small enterprises | 31 | 9.87 | 8.72 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | | 37.96 | 55.61 |
| - Other financial liabilities | 32 | 297.22 | 348.39 |
| Provisions | 33 | 18.37 | 19.69 |
| Current tax liabilities, (net) | 34 | 155.70 | 142.41 |
| Other current liabilities | 35 | 18.33 | 24.70 |
| | | **969.33** | **1,575.03** |
| Liabilities associated with assets held for sale | 47 | - | 8.33 |
| **Total current liabilities** | | **969.33** | **1,583.36** |
| **Total equity and liabilities** | | **4,537.73** | **4,938.78** |
| **Material 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* **Venkatesh & Co**
*Chartered Accountants*
Firm registration number: 004636S

-Sd-
**CA Hrishikesh D**
*Partner*
Membership no.: 272865
Place: Bangalore
Date: 27 May 2026

UDIN: 26272865NZWZGL5897

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

-Sd-
**Malavika Hegde**
*CEO & Whole-time Director*
DIN: 00136524

-Sd-
**Dr. I.R Ravish**
*Director*
DIN: 09180669

-Sd-
**R. Ram Mohan**
*Chief Financial Officer*
M.No.019290
Place: Bangalore
Date: 27 May 2026

-Sd-
**Sadananda Poojary**
*Company Secretary*
M.No.5223
Place: Bangalore
Date: 27 May 2026

**Coffee Day Enterprises Limited**
CIN: L55101KA2008PLC046866
No. 165, R V Road, (Near Minerva Circle), Bengaluru - 560004.
**Consolidated statement of profit and loss**

*₹ in crores*

| | Note | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 36 | 1,115.75 | 1,077.86 |
| Other income | 37 | 38.66 | 47.78 |
| **Total income** | | **1,154.40** | **1,125.64** |
| **Expenses** | | | |
| Cost of materials consumed | 38 | 559.59 | 521.88 |
| Purchases of stock-in-trade | | - | 3.00 |
| Employee benefits expense | 39 | 155.80 | 154.44 |
| Finance costs | 40 | 92.31 | 109.78 |
| Depreciation and amortization expense | 41 | 129.48 | 125.42 |
| Other expenses | 42 | 264.81 | 265.19 |
| **Total expenses** | | **1,201.99** | **1,179.71** |
| **Profit/(loss) before exceptional item, share of profit of equity accounted investees and tax** | | **(47.59)** | **(54.07)** |
| Exceptional items | 43 | 238.34 | 47.89 |
| **Profit/(loss) before share of profit of equity accounted investees and tax** | | **190.75** | **(6.18)** |
| Share of profit from equity accounted investees (net of income tax) | | 7.84 | (5.79) |
| **Profit/(loss) before tax** | | **198.59** | **(11.97)** |
| Tax expense: | 44A. | | |
| - Current tax | | (1.15) | (0.73) |
| - Deferred tax (including MAT credit entitlement) | | (10.40) | 131.96 |
| **Profit/(loss) for the year** | | **210.14** | **(143.20)** |
| **Other comprehensive income:** | | | |
| **Items that will not be reclassified subsequently to profit or loss:** | | | |
| Remeasurements of defined benefit plan actuarial gains/ (losses) | | (1.60) | (0.60) |
| Net changes in fair value of equity instruments through other comprehensive income | | 6.58 | 3.72 |
| Share of other comprehensive income in associates and joint ventures, | | 0.32 | (0.30) |
| | | **5.29** | **2.81** |
| Income tax relating to items that will not be reclassified to profit or loss | 44B. | (0.91) | (0.04) |
| **Other comprehensive income for the year** | | **4.38** | **2.77** |
| **Total comprehensive income for the year** | | **214.52** | **(140.43)** |
| **Profit attributable to:** | | | |
| - Owners of the company | | 203.07 | (58.05) |
| - Non- controlling interests | | 7.07 | (85.15) |
| **Other comprehensive income attributable to:** | | | |
| - Owners of the company | | 4.71 | 2.23 |
| - Non- controlling interests | | (0.33) | 0.54 |
| **Total comprehensive income attributable to:** | | | |
| - Owners of the company | | 207.79 | (55.82) |
| - Non- controlling interests | | 6.73 | (84.61) |
| **Earnings per equity share:** | 46 | | |
| - Basic | | 9.61 | (2.75) |
| - Diluted | | 9.61 | (2.75) |
| **Material 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* **Venkatesh & Co**
*Chartered Accountants*
Firm registration number: 004636S

-Sd-
**CA Hrishikesh D**
*Partner*
Membership no.: 272865
Place: Bangalore
Date: 27 May 2026

UDIN: 26272865NZWZGL5897

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

-Sd-
**Malavika Hegde**
*CEO & Whole-time Director*
DIN: 00136524

-Sd-
**Dr. I.R Ravish**
*Director*
DIN: 09180669

-Sd-
**R. Ram Mohan**
*Chief Financial Officer*
M.No.019290
Place: Bangalore
Date: 27 May 2026

-Sd-
**Sadananda Poojary**
*Company Secretary*
M.No.5223
Place: Bangalore
Date: 27 May 2026

**Coffee Day Enterprises Limited**
CIN: L55101KA2008PLC046866
No. 165, R V Road, (Near Minerva Circle), Bengaluru - 560004.
**Consolidated statement of cash flows**

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit/(loss) before tax | 198.59 | (11.97) |
| Adjustments: | | |
| - Exceptional items | (238.34) | (47.89) |
| - Share of profit from equity accounted investees in the statement of profit and loss | (7.84) | 5.79 |
| - Depreciation and amortization expense | 129.48 | 125.42 |
| - Finance cost (including financial liabilities at amortised cost) | 92.31 | 109.78 |
| - Interest income (including financial assets at amortised cost) | (7.52) | (18.68) |
| - Allowance for expected credit losses | 0.04 | 0.83 |
| -Allowance for doubtful debts reversal | (0.43) | (0.14) |
| - Liability no longer required written back | (10.24) | - |
| - (Profit) / loss on sale of property, plant, equipment and intangibles assets | (0.02) | (5.53) |
| -Impairment of assets | 14.06 | 2.46 |
| -Provision for doubtful Deposit | - | 0.13 |
| - Gain / Loss on termination of Lease | (7.93) | (1.47) |
| - Bad debts written off | 0.00 | 0.01 |
| - Advances written off | - | 1.46 |
| **Operating cash flow before working capital changes** | **162.17** | **160.20** |
| *Changes in* | | |
| - Trade receivables | 2.77 | (6.87) |
| - Current and non-current loans | 0.19 | 0.04 |
| - Other current and non current financial assets | 13.80 | 20.62 |
| - Other current and non-current assets | 3.71 | (3.64) |
| - Inventories | (0.15) | (4.36) |
| - Trade payables | (16.51) | (1.22) |
| - Current and non-current provisions | 4.94 | (6.87) |
| - Other current and non-current liabilities | (6.37) | (6.69) |
| - Other current and non-current financial liabilities | 1.15 | 3.35 |
| **Cash generated from operations** | **165.71** | **154.56** |
| Effect of exchange differences on translation of foreign subsidiaries operations | - | - |
| Income taxes paid | 6.04 | 41.33 |
| **Cash generated from operations [A]** | **171.75** | **195.89** |
| **Cash flows from investing activities** | | |
| Proceeds/(Purchase) of property, plant, equipment and intangibles assets | (25.62) | (33.42) |
| Loans recovered from related parties | 0.05 | - |
| Withdrawal of/(Additional) fixed deposits made | 227.38 | (0.54) |
| Interest received | 13.97 | 18.46 |
| Advance received for Assets held for sale | | |
| **Net cash used in investing activities [B]** | **215.79** | **(15.50)** |
| **Cash flows from financing activities** | | |
| Repayments of long-term and short-term borrowings(including guarantee obligations) | (282.34) | (22.70) |
| Interest paid (including fair value changes on financial liabilities at amortised cost) | (44.81) | (59.78) |
| Lease liabilities paid | (81.39) | (83.23) |
| **Net cash generated from financing activities [C]** | **(408.54)** | **(165.70)** |
| **Increase in cash and cash equivalents** | | |
| Cash and cash equivalents at the beginning of the year | 46.59 | 35.23 |
| Cash and Cash equivalents of subsidiary where control lost | - | (3.32) |
| Movement in cash and cash equivalents [A +B +C] | (21.00) | 14.69 |
| **Cash and cash equivalents at the end of the year** | **25.60** | **46.59** |

**Consolidated statement of cash flows**

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| **Components of cash and cash equivalents (refer note 16 )** | | |
| Cash in hand | 1.18 | 1.43 |
| *Balances with banks* | | |
| - in current accounts | 21.39 | 45.15 |
| - in fixed deposits | 3.01 | - |
| - in escrow account | 0.02 | 0.01 |
| **Total cash and cash equivalents** | **25.60** | **46.59** |

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

*for* **Venkatesh & Co**
*Chartered Accountants*
Firm registration number: 004636S

-Sd-
**CA Hrishikesh D**
*Partner*
Membership no.: 272865
Place: Bangalore
Date: 27 May 2026

UDIN: 26272865NZWZGL5897

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

-Sd-
**Malavika Hegde**
*CEO & Whole-time Director*
DIN: 00136524

-Sd-
**Dr. I.R Ravish**
*Director*
DIN: 09180669

-Sd-
**R. Ram Mohan**
*Chief Financial Officer*
M.No.019290
Place: Bangalore
Date: 27 May 2026

-Sd-
**Sadananda Poojary**
*Company Secretary*
M.No.5223
Place: Bangalore
Date: 27 May 2026

## Consolidated statement of changes in equity

### A. Equity Share Capital

As at 31 March 2026 — ₹ in crores

| Balance as at 1 April 2025 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the year | Changes in equity share capital during the year | Balance as at 31 March 2026 |
|---|---|---|---|---|
| 211.25 | - | - | - | 211.25 |

As at 31 March 2025 — ₹ in crores

| Balance as at 1 April 2024 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the year | Changes in equity share capital during the year | Balance as at 31 March 2025 |
|---|---|---|---|---|
| 211.25 | - | - | - | 211.25 |

### B. Other Equity

As at 31 March 2026 — ₹ in crores

| Particulars | Other equity | | | | | | | | | Equity attributable to owners of the company | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Reserves and surplus | | | | | | Other comprehensive income | | | | | |
| | Debenture redemption reserve | General reserve | Capital reserve | Non-controlling interest reserve | Securities premium | Retained earnings | Foreign currency translation reserve | Equity instruments through other comprehensive income | Other items of other comprehensive income | | | |
| **Balance as at 1 April 2025** | 50.00 | 26.59 | 38.92 | (378.72) | 2,322.86 | 272.32 | 2.97 | 45.78 | (1.51) | 2,379.21 | 355.46 | 2,734.67 |
| **Changes in total comprehensive income:** | | | | | | | | | | | | |
| Profit during the year | - | - | - | - | - | 203.07 | - | - | - | 203.07 | 7.07 | 210.14 |
| Other comprehensive income (net of taxes) | - | - | - | - | - | - | - | 5.67 | (0.95) | 4.71 | (0.33) | 4.39 |
| **Contributions and distributions:** | | | | | | | | | | | | |
| Reclassified to Profit & loss statement | - | - | - | - | - | - | (4.16) | - | - | (4.16) | - | (4.16) |
| Other Adjustments | - | (7.81) | (4.05) | - | 1.93 | 9.95 | - | - | - | 0.00 | - | 0.00 |
| Change in ownership control | - | - | - | - | - | - | - | - | - | - | - | - |
| **Balance as at 31 March 2026** | 50.00 | 18.78 | 34.87 | (378.72) | 2,324.78 | 485.34 | (1.19) | 51.45 | (2.47) | 2,582.84 | 362.21 | 2,945.05 |

As at 31 March 2025 — ₹ in crores

| Particulars | Other equity | | | | | | | | | Equity attributable to owners of the company | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Reserves and surplus | | | | | | Other comprehensive income | | | | | |
| | Debenture redemption reserve | General reserve | Capital reserve | Non-controlling interest reserve | Securities premium | Retained earnings | Foreign currency translation reserve | Equity instruments through other comprehensive income | Other items of other comprehensive income | | | |
| **Balance as at 1 April 2024** | 50.00 | 26.59 | 38.92 | (173.92) | 2,322.86 | 335.81 | 2.97 | 42.11 | (0.06) | 2,645.28 | 272.97 | 2,918.25 |
| **Changes in total comprehensive income:** | | | | | | | | | | | | |
| Profit during the year | - | - | - | - | - | (58.05) | - | - | - | (58.05) | (85.15) | (143.20) |
| Other comprehensive income (net of taxes) | - | - | - | - | - | - | - | 3.68 | (1.45) | 2.23 | 0.54 | 2.77 |
| **Contributions and distributions:** | | | | | | | | | | | | |
| Transfer to reserve fund | - | - | - | - | - | - | - | - | - | - | - | - |
| Change in ownership control | - | - | - | (204.80) | - | (5.45) | - | - | - | (210.25) | 167.11 | (43.15) |
| **Balance as at 31 March 2025** | 50.00 | 26.59 | 38.92 | (378.72) | 2,322.86 | 272.32 | 2.97 | 45.78 | (1.51) | 2,379.21 | 355.46 | 2,734.67 |

**Consolidated statement of changes in equity**

**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 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.

**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/(losses) 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.

**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.

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

As per our report of even date attached

*for* **Venkatesh & Co**
*Chartered Accountants*
*Firm registration number: 004636S*

*-Sd-*
**CA Hrishikesh D**
Partner
Membership no.: 272865
Place: Bangalore
Date: 27 May 2026

UDIN: 26272865NZWZGL5897

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

| | |
|---|---|
| *-Sd-* | *-Sd-* |
| **Malavika Hegde** | **Dr. I.R Ravish** |
| *CEO & Whole-time Director* | *Director* |
| DIN: 00136524 | DIN: 09180669 |
| *-Sd-* | *-Sd-* |
| **R. Ram Mohan** | **Sadananda Poojary** |
| *Chief Financial Officer* | *Company Secretary* |
| M.No.019290 | M.No.5223 |
| Place: Bangalore | Place: Bangalore |
| Date: 27 May 2026 | Date: 27 May 2026 |

## 1 Group overview

Coffee Day Enterprises Limited ('CDEL' or 'the Company') and its subsidiaries (collectively known as 'the Group'), associates and joint ventures 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, 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') (Refer note 59) | a subsidiary of the Company incorporated under the laws of India | 51.71% |
| Tanglin Developments Limited ('TDL') (Refer Note 59) | a subsidiary of the Company incorporated under the laws of India | 87.12% |
| 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% |
| Coffee Day Kabini Resorts Limited ('CDKRL') | a subsidiary of the Company incorporated under the laws of India | 100.00% |
| **STEP-DOWN SUBSIDIARIES** | | |
| Tanglin Retail Reality Developments Private Limited ('TRRDPL') | a subsidiary of TDL incorporated under the laws of India | 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% |
| Marnes HRM Services Private Limited (Formaly Know as Way2Wealth Capital Private Limited) | a subsidiary of TDL incorporated under the laws of India | 99.99% |
| Marnes Enterprises Private Limited (Formaly Know as Way2Wealth Enterprises Private Limited) | a subsidiary of TDL incorporated under the laws of India | 100.00% |
| Calculus Traders LLP | a subsidiary of TDL incorporated under the laws of India | 99.99% |
| 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% |

| Name of the entity | Country of incorporation and other particulars | Percentage of holding |
|---|---|---|
| **ASSOCIATES** | | |
| Barefoot Resorts and Leisure India Private Limited | an associate of CDHRPL incorporated under the laws of India | 27.69% |
| Magnasoft Consulting India Private Limited (MCIPL) | an associate of CDTL incorporated under the laws of India | 47.07% |
| 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% |
| AC & C Hospitality Resorts LLP | a associate of CDHRPL incorporated under the laws of India (from 30.01.2025) | 49.89% |
| **JOINT VENTURES** | | |
| Coffee Day Schaerer Technologies Private Limited ('CDSTPL') | a joint venture of CDGL incorporated under the laws of India | 49.00% |
| Coffee Day Consultancy Services Private Limited(CDCSPL) | a joint venture of CDEL & CDGL incorporated under the laws of India | 51.00% |
| Coffee Day Econ Private Limited (CDEPL) | a subsidiary of CDCSPL incorporated under the laws of India | 99.99% |

*(This space is intentionally left blank)*

## 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 other significant 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 27 May 2026

### 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 crores 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 |
| Equity instrument and Mutual Funds | Fair value |

### 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 and judgments

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 mav 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(l): 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 45: provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources;
- note 47: determining the fair value less costs to sell of the disposal group
- 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
- 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 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 (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.

**Non-controlling interests (NCI)**

**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.

**G Basis of consolidation (Continued)**

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.
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 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)(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 as non-controlling interest reserve.

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.

**H Changes in significant accounting policies**

Except for the changes below, the Group has consistently applied the accounting policies set out in note 3 to all periods presented in these Consolidated financial statements.
The Group has initially applied Ind AS 115 from 1 April 2018. A number of other amendments are also effective from 1 April 2018. These new standards and amendments are as follows:
The Group applied Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Group applied the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17 (Ref 3(l))

## 3 Material accounting policies

**a Revenue recognition**

The Group has initially applied Ind AS 115 from 1 April 2018. IndAS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaced Ind AS 18 Revenue and Ind AS 11 Construction Contracts and Guidance Notes. The Group has adopted IndAs 115 using the cumulative effect method, with the effect of initially applying this standard recognized at the date of the initial application i.e., 1 April 2018.

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

**3 Material accounting policies (continued)**

**a Revenue recognition (continued)**

**Sale of products**

Revenue is recognised when the goods are delivered and have been accepted by customers. For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data for specific types of products. In these circumstances, a refund liability and a right to recover returned goods asset are recognised.

For customer loyalty programmes, the Group allocates a portion of the consideration received to loyalty points. This allocation is based on the relative stand-alone selling prices. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote. The deferred revenue is included in contract liabilities.

**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.

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.

**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.

**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.

**3 Material accounting policies (continued)**

**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 labour, 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 (SLM) as well as written down value (WDV) 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 equipment's | 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 |

**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 equipment's | 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).

**b Property, plant and equipment(continued)**

**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 equipment's 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.

**3 Material accounting policies (continued)**

**d Employee benefits (continued)**

**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;

**3 Material accounting policies (continued)**

**e Foreign currency transactions (continued)**

**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.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2014 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 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.

**3 Material accounting policies (continued)**

**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.

Management applies significant judgment in assessing whether contingent contractual obligations have crystallised into present obligations as at the reporting date. Such assessment is based on evaluation of contractual terms, occurrence of trigger events and other relevant facts and circumstances existing at the reporting date.

**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

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.

**3 Material accounting policies (continued)**

**h Impairment (continued)**

***(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

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.

**3 Material accounting policies (continued)**

**l Leases**

The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset.

The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term

**Transition**

The Group has applied Ind AS 116 on 1st April 2019, using the modified retrospective approach. Therefore the cumulative effect of adopting Ind AS 116 is recognised as an adjustment to opening balance of retained earnings at 1st April 2019, with no restatement of comparative information.

The following is the summary of practical expedients elected on initial application :

1. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
4. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment.

**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.

**3 Material accounting policies (continued)**

**o Goodwill(continued)**

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.

**ii. Classification and subsequent measurement**

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.

**3 Material accounting policies (continued)**

**p Financial instruments(continued)**

**ii. Classification and subsequent measurement(continued)**

**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. |

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 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 54 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.

**3 Material accounting policies (continued)**

**p Financial instruments(continued)**

**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.

**v. Derivative financial instruments and hedge accounting(continued)**

**Cash flow hedges(continued)**

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.

**3 Material accounting policies (continued)**

**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 Assets classified as held for sale**

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. The condition for classification of held for sale is met when the non-current asset or the Disposal Group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

**t Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA notified amendments to various Indian Accounting Standards under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, applicable to the Company with effect from April 1, 2025.

(i) Amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates

The amendments specify how an entity should assess whether a currency is exchangeable into another currency and how it should determine the spot exchange rate when exchangeability is lacking. The amendments also require additional disclosures to enable users of financial statements to understand the impact of a currency not being exchangeable into another currency on the entity's financial performance, financial position and cash flows.

The Company has evaluated the amendments and concluded that they do not have a material impact on the financial statements.

(ii) Amendments to Ind AS 1 – Presentation of Financial Statements

The amendments clarify the requirements for classification of liabilities as current or non-current, including liabilities arising from loan arrangements containing covenants. The amendments specify that the right to defer settlement of a liability must exist at the end of the reporting period and that classification is based on rights existing at the reporting date. The amendments also introduce additional disclosure requirements for non-current liabilities subject to covenants.

The Company has evaluated the amendments and concluded that they do not have a material impact on the financial statements, except for

**(iii) Amendments to Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures**

The amendments introduce disclosure requirements relating to supplier finance arrangements. The amendments require entities to provide information regarding the terms and conditions of such arrangements, the carrying amounts of related liabilities and the effects of such arrangements on the entity's cash flows and liquidity risk.

The Company has evaluated the amendments and concluded that they do not have a material impact on the financial statements, except for additional disclosures, where applicable.

**(iv) International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12**

The amendments introduce a temporary mandatory exception from the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes arising from the OECD Global Anti-Base Erosion ("GloBE") rules. The amendments also require entities to provide specified disclosures regarding their exposure to Pillar Two income taxes.

The Company has evaluated the amendments and concluded that they do not have a material impact on the financial statements. Further, the Company is currently not within the scope of the Pillar Two rules.

**(v) Other Amendments**

The amendments to Ind AS 101 – First-time Adoption of Indian Accounting Standards, Ind AS 108 – Operating Segments, Ind AS 109 – Financial Instruments, Ind AS 115 – Revenue from Contracts with Customers and Ind AS 32 – Financial Instruments: Presentation are primarily consequential, clarificatory or editorial in nature. The Company has evaluated these amendments and concluded that they do not have any material impact on the financial statements.

## 4 Property, plant and equipment and capital work-in-progress

₹ in crores

| Particulars | Owned | | | | | | | | | Leased | Total | Capital work-in-progress (refer note vii & viii) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Freehold land | Buildings (refer note i) | Leasehold improvements | Plant and equipment | Office equipment | Furniture and fixtures | Computers | Vehicles | Coffee vending machine | Plant and equipment | | |
| Cost or deemed cost: | | | | | | | | | | | | |
| **Balance as at 1 April 2024** | **36.12** | **103.53** | **121.08** | **181.27** | **7.22** | **118.63** | **7.21** | **4.37** | **513.27** | **0.01** | **1,092.71** | **7.80** |
| Additions | 1.45 | 0.52 | 1.89 | 0.82 | 0.18 | 0.34 | 0.50 | 0.11 | 32.99 | - | 38.81 | - |
| Disposals/ capitalisation | (4.65) | (39.03) | (0.17) | (9.92) | (0.17) | (2.82) | (0.35) | (0.52) | (4.67) | - | (62.30) | (0.42) |
| **Balance as at 31 March 2025** | **32.93** | **65.03** | **122.80** | **172.18** | **7.23** | **116.15** | **7.36** | **3.95** | **541.58** | **0.01** | **1,069.22** | **7.38** |
| **Balance as at 1 April 2025** | **32.93** | **65.03** | **122.80** | **172.18** | **7.23** | **116.15** | **7.36** | **3.95** | **541.58** | **0.01** | **1,069.22** | **7.38** |
| Additions | | - | 5.55 | 0.84 | 0.19 | 0.44 | 0.66 | 0.27 | 30.83 | | 38.80 | 0.18 |
| Disposals/ capitalisation | (13.25) | | (9.50) | (10.04) | | (2.41) | (0.02) | | (1.85) | | (37.07) | (1.99) |
| **Balance as at 31 March 2026** | **19.68** | **65.03** | **118.85** | **162.98** | **7.43** | **114.18** | **8.01** | **4.22** | **570.57** | **0.01** | **1,070.95** | **5.56** |
| **Accumulated depreciation** | | | | | | | | | | | | |
| **Balance as at 1 April 2024** | **-** | **43.82** | **100.31** | **146.56** | **7.02** | **104.31** | **7.13** | **3.74** | **386.72** | **-** | **799.63** | **-** |
| Depreciation for the year | - | 3.95 | 8.99 | 7.67 | 0.12 | 6.32 | 0.25 | 0.08 | 46.63 | - | 74.04 | - |
| Disposals | - | (1.88) | (0.14) | (7.11) | (0.06) | (1.80) | (0.29) | (0.09) | (4.67) | - | (16.04) | - |
| Impairment | | - | - | 2.47 | - | | | | | | 2.47 | |
| **Balance as at 31 March 2025** | **-** | **45.89** | **109.16** | **149.59** | **7.09** | **108.83** | **7.09** | **3.73** | **428.68** | **-** | **860.10** | **-** |
| **Balance as at 1 April 2025** | **-** | **45.89** | **109.16** | **149.59** | **7.09** | **108.83** | **7.09** | **3.73** | **428.68** | **-** | **860.10** | **-** |
| Depreciation for the year | | 0.74 | 10.93 | 5.85 | 0.12 | 4.04 | 0.26 | 0.02 | 51.79 | | 73.76 | - |
| Disposals | | | (9.50) | (9.72) | | (2.08) | (0.01) | | (1.85) | | (23.16) | - |
| Impairment(Refer note vi) | | 14.06 | | - | | | | | | | 14.06 | |
| **Balance as at 31 March 2026** | **-** | **60.70** | **110.60** | **145.73** | **7.21** | **110.80** | **7.34** | **3.76** | **478.61** | **-** | **924.76** | **-** |
| **Carrying amount:** | | | | | | | | | | | | |
| **As at 31 March 2025** | **32.93** | **19.13** | **13.63** | **22.59** | **0.15** | **7.31** | **0.28** | **0.22** | **112.91** | **0.01** | **209.13** | **7.38** |
| **As at 31 March 2026** | **19.68** | **4.33** | **8.25** | **17.25** | **0.22** | **3.38** | **0.67** | **0.47** | **91.95** | **0.01** | **146.19** | **5.56** |

**4 Property, plant and equipment and capital work-in-progress (Continued)**

**Right of Use Assets** ₹ in crores

| Particulars | Land | Buildings | Furniture and fixtures | Plant and equipment | Total |
|---|---|---|---|---|---|
| | | | | | |
| | | | | | |
| **Balance as at 1 April 2024** | **92.43** | **452.58** | **-** | **(0.00)** | **545.01** |
| Addition during the year | - | 102.18 | - | - | 102.18 |
| Deletion on termination of leases during the year | - | (2.85) | - | - | (2.85) |
| Loss of control of subsidiary | - | - | - | - | - |
| **Balance as at 31 March 2025** | **92.43** | **551.91** | **-** | **(0.00)** | **644.33** |
| | | | | | |
| **Balance as at 1 April 2025** | **92.43** | **551.91** | **-** | **-** | **644.33** |
| Addition during the year | | 65.68 | - | - | 65.68 |
| Deletion on termination of leases during the year | (81.98) | (6.67) | - | - | (88.65) |
| Loss of control of subsidiary | - | - | - | - | - |
| **Balance as at 31 March 2026** | **10.45** | **610.91** | **-** | **-** | **621.36** |
| **Accumulated depreciation** | | | | | |
| **Balance as at 1 April 2024** | **6.80** | **306.94** | **-** | **0.00** | **313.75** |
| Depreciations | 1.38 | 49.90 | - | - | 51.28 |
| Sold | - | - | - | - | - |
| Deletion on termination of leases during the year | - | - | - | - | - |
| Loss of control of subsidiary | - | - | - | - | - |
| **Balance as at 31 March 2025** | **8.18** | **356.84** | **-** | **0.00** | **365.02** |
| **Balance as at 1 April 2025** | **8.18** | **356.84** | **-** | **0.00** | **365.02** |
| Depreciations | 1.08 | 54.54 | - | - | 55.62 |
| Sold | | | - | - | - |
| Deletion on termination of leases during the year | - | - | - | - | - |
| Loss of control of subsidiary | - | - | - | - | - |
| **Balance as at 31 March 2026** | **9.26** | **411.39** | **-** | **0.00** | **420.64** |
| **Carrying amount:** | | | | | |
| **As at 31 March 2025** | **84.25** | **195.06** | **-** | **(0.00)** | **279.31** |
| **As at 31 March 2026** | **1.19** | **199.52** | **-** | **(0.00)** | **200.71** |

**4 Property, plant and equipment and capital work-in-progress (continued)**

Notes:
i) Includes building constructed on leasehold land.

ii) Security
- Property, plant and equipment amounting to ₹ 141.70 crores as at 31 March 2026 (31 March 2025: ₹ 204.58 crores) has been pledged as security by the Group against loans taken from banks and financial institutions.

iii) Contractual obligations
As at 31 March 2026, the Group is committed to spend Nil (31 March 2025: Nil) under a contract to purchase property, plant and equipment.

iv) Significant estimates
Property, plant and equipment represent a significant proportion of the asset base of the Company. 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 life 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 life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.
The depreciation policy on additions to Coffee Vending Machines by way of refurbishment of machines for the current year, are as follows:
- if remaining use life of asset( Vending Machine) as on date of replacement is greater than 3yrs, depreciate the cost of refurbishment over next 7 years
- if remaining use life of asset (Vending Machine) as on date of replacement is less than 3yrs, depreciate the cost of refurbishment over next 3 years
- if remaining use life of asset (Vending Machine) as on date of replacement is Zero, depreciate the cost of refurbishment over next 3 years
- if the asset is put to use for more than 12 years, depreciate the cost of refurbishment in the same year

Costs of refurbishment were been capitalised, with a useful life of seven years till the previous year.

v) Addition to property, plant and equipment includes exchange fluctuation gain of ₹ Nil (31 March 2025 loss of ₹ Nil) in continuation of the exemption as per IndAS 101, by capitalising the exchange fluctuation on ECB loan availed before 31 March 2016.

vi) Impairment of assets is related to demolition of factory building at Chickmagalur upon sale of the underlying land as a part of the settlement of loans, after taking in to consideration the demolition and realisation of salvage value.

**vii) Capital work in progress**
Capital work in progress mainly comprises of coffee vending machines and advances given for setting up of cafes.

viii) During the year,  an amount of Rs 4.27 Crores pertaining to old and Non moving CWIP was capialised and depreciated fully.

## 4 Property, plant and equipment and capital work-in-progress (Continued)

### viii) Aging Schedule for Capital Work in Progress

CWIP aging schedule ₹ in crores

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **As at March 31, 2026** | | | | | |
| CWIP - Coffee Machines manufactured not put to use | 0.68 | - | - | - | 0.68 |
| Projects in progress | 2.27 | - | - | 1.92 | 4.19 |
| Projects in progress temporarily suspended | - | - | - | 0.69 | 0.69 |
| Total | 2.94 | - | - | 2.61 | 5.56 |
| | | | | | |
| **As at March 31, 2025** | | | | | |
| CWIP - Coffee Machines manufactured not put to use | 0.22 | - | - | 0.04 | 0.25 |
| Projects in progress | 0.28 | - | - | 1.92 | 2.20 |
| Projects in progress temporarily suspended | - | - | - | 4.23 | 4.23 |
| Total | 0.49 | - | - | 6.19 | 6.68 |

During the financial year 2018-19 the company has taken over the building under construction from M/s.Hegde Institute of Medical Sciences and continued the construction of building. The building is being constructed on land owned by Smt.Vasanthi Hegde and registration of the land in the name of the company is pending. The building under construction is reflected as capital work in progress.

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5 Investment property

*₹ in crores*

| 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 2024** | **12.94** | **11.13** | **2.53** | **0.08** | **0.05** | **26.73** | **-** |
| Additions during the year | - | - | - | - | - | - | - |
| Deletions during the year | (0.04) | - | - | - | - | (0.04) | - |
| **Balance as at 31 March 2025** | **12.90** | **11.13** | **2.53** | **0.08** | **0.05** | **26.69** | **-** |
| **Balance as at 1 April 2025** | **12.90** | **11.13** | **2.53** | **0.08** | **0.05** | **26.69** | **-** |
| Additions during the year | - | - | - | - | - | - | - |
| Deletions during the year | - | - | - | - | - | - | - |
| Reclassified | (0.54) | | | | | (0.54) | |
| **Balance as at 31 March 2026** | **12.36** | **11.13** | **2.53** | **0.08** | **0.05** | **26.15** | **-** |
| **Accumulated depreciation** | | | | | | | |
| **Balance as at 1 April 2024** | **-** | **0.00** | **1.04** | **0.00** | **0.05** | **1.10** | **-** |
| Depreciation for the year | - | - | - | - | - | - | - |
| Deletions during the year | - | - | - | - | - | - | - |
| **Balance as at 31 March 2025** | **-** | **0.00** | **1.04** | **0.00** | **0.05** | **1.10** | **-** |
| **Balance as at 1 April 2025** | **-** | **0.00** | **1.04** | **0.00** | **0.05** | **1.10** | **-** |
| Depreciation for the year | - | - | - | - | - | - | - |
| Deletions during the year | - | - | - | - | - | - | - |
| **Balance as at 31 March 2026** | **-** | **0.00** | **1.04** | **0.00** | **0.05** | **1.10** | **-** |
| **Carrying amount:** | | | | | | | |
| **As at 31 March 2025** | **12.90** | **11.13** | **1.49** | **0.08** | **(0.00)** | **25.58** | **-** |
| **As at 31 March 2026** | **12.36** | **11.13** | **1.49** | **0.08** | **(0.00)** | **25.05** | **-** |

**A. Notes:**

i) Borrowing cost capitalised during the year amounts to ₹ Nil (31 March 2025: ₹ Nil)

*ii) Contractual obligations*

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities amounting to Nil (31 March 2025: Nil)

*iii) Security*

The Group has pledged the investment property to secure loans from financial institutions and banks, borrowed by the subsidiary company. Refer note 23A

*₹ in crores*

| **B. Amounts recognised in profit and loss for investment properties** | **For the year ended 31 March 2026** | **For the year ended 31 March 2025** |
|---|---|---|
| Rental income derived from investment properties | - | - |
| Direct operating expenses (including repairs and maintenance) | 0.08 | 0.08 |
| Profit arising from investment properties before depreciation and indirect expenses | **0.08** | **0.08** |
| Less: Depreciation for the year | - | - |
| **Profit arising from investment properties before indirect expenses** | **0.08** | **0.08** |

## 6 Goodwill

*₹ in crores*

| **Particulars** | **As at 31 March 2026** | **As at 31 March 2025** |
|---|---|---|
| Carrying amount at the beginning of the year | 1.46 | 1.46 |
| **Carrying amount at the end of the year** | **1.46** | **1.46** |

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 :-

The following table gives the break up of allocation of goodwill to operating segments:

*₹ in crores*

| **Particulars** | **As at 31 March 2026** | **As at 31 March 2025** |
|---|---|---|
| Multiple units without significant goodwill | 1.46 | 1.46 |
| | **1.46** | **1.46** |

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. |

*(This space is intentionally left blank)*

## 7 Other intangible assets

*₹ in crores*

| Particulars | TDR's | Software | Total | Intangible assets under development |
|---|---|---|---|---|
| **Cost or deemed cost:** | | | | |
| **Balance as at 1 April 2024** | **0.26** | **29.70** | **29.96** | **-** |
| Additions | - | - | - | - |
| Deletion | - | - | - | |
| **Balance as at 31 March 2025** | **0.26** | **29.70** | **29.96** | **-** |
| **Balance as at 1 April 2025** | **0.26** | **29.70** | **29.96** | **-** |
| Additions | 0.54 | 0.03 | 0.56 | - |
| Deletion | - | - | - | |
| **Balance as at 31 March 2026** | **0.79** | **29.73** | **30.52** | **-** |
| **Accumulated amortisation** | | | | |
| **Balance as at 1 April 2024** | **-** | **29.44** | **29.44** | **-** |
| Amortisation for the year | - | 0.11 | 0.11 | - |
| Deletion | - | - | - | |
| -Discard | - | - | - | - |
| **Balance as at 31 March 2025** | **-** | **29.55** | **29.55** | **-** |
| **Balance as at 1 April 2025** | **-** | **29.55** | **29.55** | **-** |
| Amortisation for the year | | 0.10 | 0.10 | - |
| Deletion | - | - | - | |
| -Discard | - | - | - | - |
| **Balance as at 31 March 2026** | **-** | **29.65** | **29.65** | **-** |
| **Carrying amount:** | | | | |
| **As at 31 March 2025** | **0.26** | **0.15** | **0.41** | **-** |
| **As at 31 March 2026** | **0.79** | **0.07** | **0.87** | **-** |

*(This space is intentionally left blank)*

**8 Non-current investments**

**8A Equity accounted investees**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Investment in Equity instrument:** | | |
| **Unquoted** | | |
| **Investment in Joint Ventures:** | | |
| - 6,86,000 (31 March 2025: 6,86,000) equity shares of Coffee Day Schaerer Technologies Private Limited of ₹ 10 each fully paid up | 3.16 | - |
| -2,60,01,002 (31 March 2025 :2,60,01,002) equity shares of Coffee Day Consultancy Services Pvt. Ltd. of ₹ 10 each * | 7.54 | 7.54 |
| - 2 (31 March 2025 : 2) equity shares of Coffee Day Econ Pvt. Ltd. of ₹ 10 each | - | - |
| **Investment in Associates:** | | |
| - 17,672 (31 March 2025: 17,672) equity shares of Barefoot Resorts & Leisure India Private Limited of ₹ 100 each fully paid up | 15.65 | 15.59 |
| - 17672 (Previous year: nil ) 0.001% Compulsary Convertible Preference Shares of Rs.100 each, fully paid up^ | - | |
| - 26,185,728 (31 March 2025 : 26,185,728) equity shares of Magnasoft Consulting India Pvt. Ltd. of ₹ 10 each | 16.87 | 13.61 |
| **Investment in LLP:** | | |
| AC&C Hospitality Resorts LLP (ACA-5736)** | 38.12 | 36.45 |
| Provision for diminution, in the value of investments*** | (7.54) | (7.54) |
| | **73.81** | **65.65** |

* During the financial year 2019-20 M/s.RBL Bank had invoked 1,52,94,118 Equity shares held in M/s. Coffee Day Consultancy Services Private Limited (which is now assigned to Rare Asset Reconstruction Ltd.) on default of repayment of dues to the bank. The same will be returned back on repayment of dues to them.

****Name of all partners and share of each partner of AC&C Hospitality Resorts LLP**

| Name of the partner | Share of profit % | |
|---|---|---|
| | As at 31 March 2026 | As at 31 March 2025 |
| 1. Coffee Day Hotels and Resorts Private Limited | 49.89% | 49.89% |
| 2. Chaitra Civil Ventures LLP | 0.00% | 0.00% |
| 3.Suresh Babu | 1.00% | 1.00% |
| 4 .Ammolite Properties Private Ltd | 50.10% | 50.10% |

*** The operation of Coffee Day Econ Pvt Ltd( 100% subsidiary of Coffee Day Consultancy Services Pvt Ltd) have been discontinued during the FY 2021-22. There is no scope for the operation of the company to be revived in foreseeable in future. Therefore the investments of Coffee Day Global Limited(subsidiary) in Coffee Day Consultancy Services Pvt Ltd(joint venture) is provided in FY 2021-22. In addition the company Coffee Day Enterprises Limited has provided for the investment made in Coffee Day Consultancy Services Pvt Ltd(joint venture) in the FY 2021-22. The advance given to Coffee Day Consultancy Services Pvt Ltd (joint venture) by Coffee Day Global Limited (subsidiary) to the extent of ₹ 0.45 crores is also provided in FY 2021-22.

^On September 19, 2025, Barefoot Resorts & Leisures India Private Limited allotted one 0.001% Compulsorily Convertible Preference Share (CCPS) of ₹100 each for every one equity share held by the shareholders. The CCPSs are convertible into equity shares within 20 years from the date of allotment, in accordance with the terms of issue.

**8B Other non-current investments**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Quoted** | | |
| (i) Investments carried at fair value through profit and loss | - | - |
| (ii) Investments carried at fair value through other comprehensive income | | |
| - Investments in equity instruments (fully paid-up) | | - |
| - 1,667 (31 March 2025: 1,667) equity shares of Sical Logistics Limited of ₹ 10 each fully paid up ^ | 0.01 | 0.01 |
| **Unquoted** | | |
| (i) Investments carried at fair value through profit and loss | | - |
| (ii) Investments carried at fair value through other comprehensive income | | |
| -20,569 (31 March 2025: 20,569) equity shares of Digital Signage Networks India Private Limited of ₹ 10 each fully paid-up | 0.06 | 0.06 |
| - 5,44,052 (31 March 2025: 5,44,052) equity shares of Ittiam Systems Private Limited of ₹ 1 each fully paid up | 20.05 | 13.47 |
| (iii) Other investments, at cost | - | - |
| | **20.12** | **13.54** |
| Aggregate amount of unquoted investments | 90.76 | 80.72 |
| Aggregate amount of quoted investments | 0.01 | 0.01 |
| Aggregate amount of market value of quoted investments | 0.01 | 0.01 |
| Investments carried at fair value through other comprehensive income | | |
| Dividend income recognised during the year | - | - |
| Cumulative gain / (loss) on disposal | - | - |
| Fair value | 20.12 | 13.54 |

^ During financial year 2020, The lender of Tanglin Developments Limited(TDL)(holding company) has invoked SICAL Logistics Ltd shares which has been pledged by the company as security for the loan availed by TDL. The company has recognised the invocation in the book and recognised the gain or loss on invocation in previous years. Later TDL has repaid the loan and due to loan repayment by TDL the lenders has transferred back shares to the company during FY 2024-25 and the company has recognised the shares at fair value in the books.

Information about the Group's exposure to credit and market risks and fair value measurement, is included in note 55

**9 Trade receivables**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Secured, considered good | - | - |
| Unsecured, considered good | 59.47 | 61.86 |
| Credit impaired | 42.60 | 80.23 |
| | **102.07** | **142.09** |
| Less: Loss allowance for credit impaired receivables * | (42.60) | (80.23) |
| | **59.47** | **61.86** |
| Current | 59.47 | 61.86 |
| Non-current | - | - |

* During the year an amount of Rs 36.54 Crores provided in earlier years pertaining to outstanding debtors has been written off, since they are no longer recoverable and amount recovered from earlier provisions is Rs.1.10 Crores

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

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Total trade receivables from related parties (refer note 51) | 19.42 | 19.42 |
| **Net trade receivables** | **19.42** | **19.42** |

**Trade Receivables ageing schedule**

As at 31 March 2026 — *₹ in crores*

| Particulars | Less than 6 months | 6 months - 1 year | 1-2 Years | 2-3 years | More than 3 years | Unbilled | Not Due | Total |
|---|---|---|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | | | | |
| **Undisputed** | | | | | | | | |
| (i) Considered good | 19.25 | 0.86 | 0.02 | 0.02 | - | 39.32 | - | **59.47** |
| (ii) Which have significant increase in credit risk | | | | | | | | **-** |
| (iii) Credit impaired | 0.00 | 0.01 | 0.68 | 0.33 | 28.08 | - | - | **29.11** |
| **Disputed** | | | | | | | | |
| (iv) Considered good | - | - | - | - | - | - | - | **-** |
| (v) Which have significant increase in credit risk | - | - | - | - | - | - | - | **-** |
| (vi) Credit impaired | - | - | - | - | 13.49 | - | - | **13.49** |
| **Total** | **19.25** | **0.86** | **0.70** | **0.36** | **41.57** | **39.32** | **-** | **102.07** |

**Trade Receivables ageing schedule**

As at 31 March 2025 — *₹ in crores*

| Particulars | Less than 6 months | 6 months - 1 year | 1-2 Years | 2-3 years | More than 3 years | Unbilled | Not Due | Total |
|---|---|---|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | | | | |
| **Undisputed** | | | | | | | | |
| (i) Considered good | 60.10 | 1.71 | 0.05 | - | - | - | - | **61.86** |
| (ii) Which have significant increase in credit risk | | | | | | | | **-** |
| (iii) Credit impaired | - | - | 1.20 | 1.02 | 40.64 | - | - | **42.87** |
| **Disputed** | | | | | | | | |
| (iv) Considered good | - | - | - | - | - | - | - | **-** |
| (v) Which have significant increase in credit risk | - | - | - | - | - | - | - | **-** |
| (vi) Credit impaired | - | - | 0.07 | 0.37 | 36.93 | - | - | **37.37** |
| **Total** | **60.10** | **1.71** | **1.32** | **1.39** | **77.57** | **-** | **-** | **142.09** |

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

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Secured, considered good | - | - |
| Unsecured, considered good | - | - |
| significant increase in Credit Risk | - | - |
| Other loans | | |
| - Loans and advance to employees | 0.30 | 0.30 |
| | **0.30** | **0.30** |

## 11 Other non-current financial assets

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Security deposit | | |
| - Deposits with others | 22.59 | 43.65 |
| - Share application money pending allotment in ONS Ventures SDN. BHD | 1.54 | 1.54 |
| -'Less: Allowances for credit losses * | (3.90) | (19.89) |
| Fixed deposit accounts with banks | 14.65 | 45.59 |
| Margin money deposits with banks | 0.09 | 0.41 |
| | **34.97** | **71.30** |

* Notes:

*During the year an amount of Rs 14.47 Crores towards Credit impaired Deposits paid for closed cafes, Staff Accomodation, Electricity Deposit, Deposit with Leasing companies etc was written off. Further Provision created earlier for Rs 1.88 Crores was reversed as they were no longer required.

## 12 Deferred tax assets, (net)

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Deferred tax assets** | | |
| - Unabsorbed losses | 159.52 | 170.45 |
| - Provision for doubtful debts | 34.38 | 38.09 |
| - Employee benefits | 2.27 | 2.89 |
| - Security deposit | 0.50 | 4.96 |
| - Excess of depreciation provided in the books over depreciation allowable under income tax laws | 100.40 | 88.13 |
| -Right to use assets & lease liability - IndAS 116 | 10.87 | (6.98) |
| | **307.95** | **297.53** |

## 13 Other non-current assets

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Capital advances, including advances paid for purchase of land * | 317.20 | 316.63 |
| Advances other than capital advances: | | |
| - Balances with government authorities | 0.18 | 0.46 |
| - Deferred rental expense | | |
| - Taxes paid under protest | 1.72 | 3.57 |
| - Gratuity fund | 0.00 | 0.00 |
| - Other receivables** | 14.10 | 14.10 |
| 'Less: Allowances for credit losses | (29.56) | (29.56) |
| | **303.65** | **305.20** |

*An agreement for purchase of land at Mumbai had been entered into by the Tanglin Developments Limited (subsidiary) with Mrs.Vasanthi Hegde in FY 2017-18. Based on agreement to purchase the land the Tanglin Developments Limited (subsidiary) has advanced ₹ 275 crores to Mrs.Vasanthi Hegde. The land in the name of Mrs.Vasanthi Hegde has been acquired by City & Industrial Development Corporation (CIDCO) nodal agency for acquiring land for Navi Mumbai International Airport. CIDCO has proposed alternative land in lieu of the acquisition of land. However Mrs.Vasanthi Hegde has filed legal case for monetary compensation instead of alternate land. The Matter is pending under legal dispute pending for conclusion.

**On 19.11.2020, the company and its subsidiary Tanglin Developments Limited has entered into an Agreement to Sell the Shares of Way2Wealth Securities Private Limited including its certain subsidiaries to Shriram Ownership Trust. The transaction is set at a Purchase Consideration is ₹ 55.66 crores, which has been fully received by the company in the FY 2020-21 except for the withheld consideration of ₹ 2 crores. Another ₹ 12.10 crores is receivable by the company in form of preceding years Tax refunds and SEBI deposits from the purchaser (Shriram Ownership Trust) which is in form of reimbursement, subject to realisation by the purchaser (Shriram Ownership Trust).

## 14 Inventories

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Raw materials | | |
| - Stock of perishables, consumables and merchandise | 26.83 | 27.87 |
| Stores and spares | 10.41 | 9.52 |
| | **37.24** | **37.39** |

Carrying amount of inventories pledged as securities for borrowings (refer note 23)

## 15 Current investments

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Quoted** | | |
| - Investments in equity instruments (fully paid-up) | - | - |
| - Investments in mutual funds | - | - |
| - Investments in bonds | - | - |
| **Unquoted** | | |
| Investments carried at fair value through profit and loss | | |
| -Investments in equity instruments | - | - |
| -Investments in liquid bees | 0.00 | 0.00 |
| | **0.00** | **0.00** |
| Aggregate amount of quoted investments and market value thereof | - | - |
| Aggregate amount of unquoted investments | 0.00 | 0.00 |

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

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Balances with banks | | |
| - in current accounts | 21.39 | 45.15 |
| - in escrow accounts | 0.02 | 0.01 |
| - in fixed deposit accounts with banks (original maturity less than 3 months) | 3.01 | - |
| Demand Drafts in hand | | |
| Cash in hand | 1.18 | 1.43 |
| | **25.60** | **46.59** |

## 17 Bank balances other than cash and cash equivalents

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Balances with banks* | | |
| -in margin money deposits with banks | 0.78 | 0.74 |
| - in fixed deposit accounts with banks | 0.09 | 196.25 |
| | **0.87** | **196.99** |

* Notes:

- includes ₹ 0.78 crores (31 March 2025: ₹ 0.74 crores) given as security to banks for loans and various credit facilities availed by the Group.

**18 Current loans**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Secured, considered good | - | - |
| Unsecured, considered good | - | - |
| Loans to related parties (refer note 51) | | |
| - Coffee Day Barefoot Resorts Private Limited | 15.40 | 15.40 |
| - Coffee Day Resorts MSM Private Limited | - | 0.05 |
| - Coffee Day Natural Resources Pvt Ltd | 0.06 | 0.06 |
| - Mysore Amalgamated Coffee Estates Limited | 2,274.51 | 2,274.51 |
| Unsecured, Credit impaired | | |
| Loans to related parties: | | |
| - Coffee Day Consultancy Services Private Limited | 0.45 | 0.45 |
| Other loans | | |
| - Loans and advance to employees | 1.00 | 1.20 |
| Others advances | 249.16 | 249.15 |
| Significant increase in credit risk | | |
| Credit impaired* | (249.61) | (249.61) |
| | **2,290.95** | **2,291.20** |

* The Group had provided advance for procuring land. Since the recovery of amount is doubtful, provision has been made for the same in FY 2019-20. The Group is in the process of initiating recovery process.

Following are the loans to Related parties which are repayable on demand or without specifying any terms or period of repayment

| Type of Borrower | As on 31 March 2026 | | As on 31 March 2025 | |
|---|---|---|---|---|
| | Amount of loan | Percentage to the total Loans and advances in nature of loan | Amount of loan | Percentage to the total Loans and advances in nature of loan |
| Joint Ventures | 0.45 | 0.01% | 0.45 | 0.01% |
| Other related parties | 3,269.99 | 92.84% | 3,285.73 | 92.84% |

**19 Other current financial assets**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Unsecured, considered good | | |
| Security deposits | | |
| - Other deposits | 9.64 | 3.46 |
| Interest accrued | 0.01 | 6.46 |
| Staff advances | 0.06 | 0.04 |
| Other advances | 981.58 | 998.24 |
| Asset sales proceeds receivable (Refer note 47) | 1.90 | 0.93 |
| Less: Provision for doubtful advances * | (0.59) | (1.36) |
| | **992.60** | **1,007.77** |

*During the year an amount of Rs 0.77 Crores provided earlier years towards Deposits paid for cafes has been written off,since recovery efforts did not yield any results.

**20 Other current assets**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Advances for supply of goods and rendering of services | 62.41 | 63.16 |
| Prepaid expenses | 1.54 | 0.48 |
| Balances with government authorities | 3.52 | 7.63 |
| Deferred rental expense | 0.28 | 0.28 |
| - other receivables | 0.03 | 0.04 |
| Other advances | 0.15 | 0.15 |
| Less: Provision for doubtful advances * | (60.34) | (60.73) |
| | **7.60** | **11.02** |

* During the year on the basis of the settlement agreement entered with one of the debtors an amount of Rs 0.38 Crs was written off which was provided earlier year.

## 21 Equity share capital

₹ in crores

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Authorised *** | | |
| 27,08,34,000 (31 March 2025: 27,08,34,000) equity shares of ₹ 10 each | 270.83 | 270.83 |
| **Issued, subscribed and fully paid up** | | |
| 21,12,51,719 (31 March 2025: 21,12,51,719) equity shares of ₹ 10 each | 211.25 | 211.25 |
| | **211.25** | **211.25** |

* The Company also has an authorised share capital of 35,00,000 (31 March 2025: 35,00,000) 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:**

₹ in crores (except share data)

| | As at 31 March 2026 | | As at 31 March 2025 | |
|---|---|---|---|---|
| | No of shares | Amount | No of shares | Amount |
| Number of shares outstanding at the beginning of the year | 21,12,51,719 | 211.25 | 21,12,51,719 | 211.25 |
| Add: Shares issued during the year | - | - | - | - |
| **Number of shares outstanding at the end of the year** | **21,12,51,719** | **211.25** | **21,12,51,719** | **211.25** |

**(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 2026 | | As at 31 March 2025 | |
|---|---|---|---|---|
| | % of holding | No of shares | % of holding | No of shares |
| **Equity shares** | | | | |
| Mrs. Malavika Hegde | 0.73% | 15,37,402 | 4.73% | 99,91,195 |
| Late Mr.V G Siddhartha | 0.09% | 2,00,000 | 0.75% | 15,74,658 |
| NLS Mauritius LLC | 4.76% | 1,00,61,189 | 6.77% | 1,43,03,535 |

**(d)** Pursuant to the approval of the shareholders granted at its extraordinary general meeting held on 8 May 2015, 10,21,40,857 equity shares were allotted as fully paid-up to the existing shareholders of the Company in the ratio of seven equity shares for every one equity share held on 7 May 2015. As on 7 May 2015, 1,45,91,551 equity shares were outstanding. The bonus equity shares were issued by capitalisation of the reserves lying to the credit of the securities premium account of the Company.

**(e)** During the five year period ended 31 March 2026:

The Company 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.

(f) Shareholding of Promoters

| Shares held by promoters at the end of 31 March 2026 | | | | | % Change during the year |
|---|---|---|---|---|---|
| S. No | Promoter name | Relation | No. of Shares | %of total shares | |
| 1 | Late Mr. V G Siddhartha | Promoter | 2,00,000 | 0.09% | -0.66% |
| 2 | Malavika Hegde | Promoter | 15,37,402 | 0.73% | -4.00% |
| 3 | Coffee Day Consolidations Private Limited | Promoter Group | 54,54,823 | 2.58% | 0.00% |
| 4 | Devadarshini Infotechnologies Pvt Ltd | Promoter Group | - | 0.00% | 0.00% |
| 5 | Sivan Securities (P) Ltd | Promoter Group | 3,26,032 | 0.15% | 0.00% |
| 6 | AHIH Resorts And Retreat Private Limited | Promoter Group | 90,32,793 | 4.28% | 4.28% |

| Shares held by promoters at the end of 31 March 2025 | | | | | % Change during the year |
|---|---|---|---|---|---|
| S. No | Promoter name | Relation | No. of Shares | %of total shares | |
| 1 | Late Mr. V G Siddhartha | Promoter | 15,74,658 | 0.75% | -3.76% |
| 2 | Malavika Hegde | Promoter | 99,91,195 | 4.73% | 3.76% |
| 3 | Coffee Day Consolidations Private Limited | Promoter Group | 54,54,823 | 2.58% | 0.00% |
| 4 | Devadarshini Infotechnologies Pvt Ltd | Promoter Group | - | 0.00% | 0.00% |
| 5 | Sivan Securities (P) Ltd | Promoter Group | 3,26,032 | 0.15% | 0.00% |

## 22 Other equity

**Summary of other equity balances***

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Reserves and surplus** | | |
| - Debenture redemption reserve | 50.00 | 50.00 |
| - General reserve | 18.78 | 26.59 |
| - Capital reserve | 34.87 | 38.92 |
| - Non-controlling interest reserve | (378.72) | (378.72) |
| - Securities premium | 2,324.78 | 2,322.86 |
| - Retained earnings | 485.34 | 272.32 |
| **Other comprehensive income** | | |
| - Foreign currency translation reserve | (1.19) | 2.97 |
| - Equity instruments through other comprehensive income | 51.45 | 45.78 |
| - Other items of other comprehensive income | (2.47) | (1.51) |
| | **2,582.84** | **2,379.21** |

*Refer consolidated statement of changes in equity for detailed movement in other equity balances.

*(This space is intentionally left blank)*

## 23 Non-current borrowings

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| *Secured:* | | |
| - Debentures | - | - |
| - Term loans | 131.45 | 124.58 |
| *Unsecured:* | | |
| - Term loans | 73.56 | 75.93 |
| | **205.01** | **200.50** |

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 55
Refer note 23A for detailed terms and conditions

**Reconciliation of movements of liabilities to cash flows arising from financing activities**

*₹ in crores*

| Particulars | Amount |
|---|---|
| Non-current borrowings | 200.50 |
| Current borrowings | 924.75 |
| Non current Lease Liabilities | 197.39 |
| Current Lease Liabilities | 50.75 |
| - Interest accrued and due on borrowings | 133.47 |
| **Balance at 1 April 2025:** | **1,506.86** |
| **Changes from financing cash flows:** | |
| Repayment of borrowings | (282.34) |
| Interest paid (including fair value changes on financial liabilities at amortised cost) | (44.81) |
| Lease liabilities paid | (81.39) |
| **Non cash changes:** | |
| Impact of lease liability as per Ind AS 116 | 129.11 |
| Gain on loan settlements | (307.99) |
| Non-current borrowings | 205.01 |
| Current borrowings | 373.72 |
| Non current Lease Liabilities | 189.88 |
| Current Lease Liabilities | 58.16 |
| Interest accrued and due on borrowings | 92.69 |
| **Balance at 31 March 2026** | **919.45** |

**23A - Terms and conditions of outstanding borrowings (continued)**

***₹ in crores***

| Institution | Nature | Type | As at 31 March 2026 | As at 31 March 2025 | Terms and conditions |
|---|---|---|---|---|---|
| Multitude Growth Funds Limited | Secured | Term loan | 26.82 | 26.82 | Rabobank International, Hong Kong - assigned to Multitude Growth Funds Limited, Mauritius (Formerly known as A G Dynamics Ltd)<br>Secured by<br>¤ Personal guarantee of Late Mr.V.G.Siddhartha<br>¤ Charge on specific movable assets of the Company<br>¤ Pari-passu equitable mortgages on the following immovable properties<br>¤ Land located in Palace Road, Bangalore owned by the Company.<br>A restructuring plan under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings has been finalised by all the lenders for restructuring the debt outstanding as on March 31st, 2021. Pending a formal execution of the restructuring documents all the lenders have already accorded an in principle approval for the restructuring plan originally scheduled to be commenced from January 01st, 2024. Accordingly interest payments have been regularly made from Jan 24 till Mar 26 @ 8.50%. The principal repayment will commence post execution of the restructuring documents as per the proposed plan. |
| Multitude Growth Funds Limited | Secured | Term loan | 71.61 | 71.61 | From Rabobank International, Hong Kong - assigned to Multitude Growth Funds Limited, Mauritius (Formerly known as A G Dynamics Ltd) including current maturities of non-current borrowings<br>Secured by<br>¤ First ranking pari pasu mortgages on the following immovable properties<br>¤ Land located in Palace Road, Bangalore owned by the Company<br>¤ Charge on specific movable assets of the Company<br>¤ 'Personal guarantee of Late Mr.V.G.Siddhartha;<br>A restructuring plan under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings has been finalised by all the lenders for restructuring the debt outstanding as on March 31st, 2021. Pending a formal execution of the restructuring documents all the lenders have already accorded an in principle approval for the restructuring plan originally scheduled to be commenced from January 01st, 2024. Accordingly interest payments have been regularly made from Jan 24 till Mar 26 @ 8.50%. The principal repayment will commence post execution of the restructuring documents as per the proposed plan. |
| Rare Asset Reconstruction Limited | Secured | Term loan | 47.88 | 47.88 | Secured by<br>¤ Aditya Birla Finance Limited assigned its debt as per the provisions of SARFAESI Act, in favour of Rare Asset Reconstruction Limited along with all the underlying securities, rights, title and interest through an Registered Assignment Agreement dated March 31, 2023<br>¤ Security<br>- Pledge of a proportion of the shares of Mindtree Limited (released), Coffee Day Global Limited held by the Company and Sical Logistics Limited (Invoked and Sold) held by its subsidiary<br>- Personal guarantee of Late Mr. V. G. Siddhartha<br>¤ The loan carries an interest rate of 15.00% p.a. payable quarterly<br>¤ Any delay in repayment of interest entails payment of penal interest @ 24% p.a. for the period of delay.<br>¤ 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.<br>¤The repayment of the loan has been extended pursuant to the letter dated 24 September 2020 up to 31 March 2021 and During the FY 2021-22,the lender has recalled the entire amount outstanding amount<br>¤ The loan has been outstanding for 60 months from the due date<br>¤ Due to default in repayment of interest and principal. In view of the loan recall notices, legal disputes and pending onetime settlement with the lenders, the management has not paid interest of ₹ 14.36 crores. |
| Axis Bank Limited | Secured | Term loan | - | 108.78 | On 29 Decemebr 2025 company has recevied settlement letter from Axis Bank for settlement their outstanding dues at Rs 70 crores with the settlement terms of Rs 35 crores payable on or before 31 Decemeber 2025. Company has paid Rs 35 crores on 29 Decemebr 2025 as part of loan settlement and On 4 February 2026 company has paid remaining amount of Rs 35 crores and settled the loan in full and recognised a gain of Rs 35.43 crores as exceptional items during year ended 31 March 2026. |

**23A - Terms and conditions of outstanding borrowings (continued)**

*₹ in crores*

| Institution | Nature | Type | As at 31 March 2026 | As at 31 March 2025 | Terms and conditions |
|---|---|---|---|---|---|
| Credit Opportunities II Pte. Ltd & India Special Situations Scheme I | Secured | Debentures | - | 231.92 | Company has entered into settlement agreement with Credit opportunities India Pte Ltd and India Special situations Scheme-I (debenture holders of the company) to settle the loan in three tranches. The Company has paid ₹28.9 crores on 9 April 2025 as first tranche as agreed in the settlement agreement. The Company has also paid ₹ 82.32 crores on 10 July 2025 as Second tranche and on 9 April 2025 the lender has realised ₹55 crores by way of sale of invoked CDGL shares, originally pledged by the company. with this one time settlement the loan is completely settled.<br><br>However, the third tranche amounting to ₹ 50 crores is payable on 30 June 2028 upon achievement of the share price milestone or EBITDA milestone as specified in the Settlement Agreement. Since the obligation to pay the third tranche arises only upon occurrence of the specified milestones, the same is treated as contingent payment.<br><br>Consequent to the above settlement arrangement, the Company has recognised a gain of ₹ 78.55 crores on settlement of the loan liability and ₹ 55 crores towards adjustment arising from sale of invoked shares by the lender. The aforesaid amounts have been disclosed as exceptional items in the Statement of Profit and Loss for the year ended 31 March 2026. |
| Rare Asset Reconstruction Ltd | Secured | Loan repayable on demand | 15.00 | 103.44 | From RBL Bank Limited assigned to Rare Asset Reconstruction Ltd (RARE)<br><br>The Company has realigned its debt and interest liabilities as per the restructuring plan.<br>Secured by<br>¤ Charge on Current assets including Stock and Book debts of Xpress division.<br>¤ Charge on specific vending machines with minimum cover of 1.2x times<br>¤ Personal guarantee of Late Mr. V. G. Siddhartha<br>The company has pledged the 1,52,94,118 shares of Coffee Day Consultancy Services Pvt. Ltd. held by it. The same is invoked by the lender due to default in repayment of dues to it.<br>Inrespect of the above loan the Board in its meeting held on February 11th, 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.<br>As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 2024-Nov Mar 26 @8.50% and the same is paid. The plan is awaiting required approval/Execution. However during the year as per the One Time Settlement (OTS) agreement entered with the lender, the entire loan has been settled for Rs.40 Crores and out of the settlement amount agreed only a balance of Rs 15 Crores is payable on or before December 2026. |
| Prudent ARC Limited | Secured | Term loan | 127.93 | 127.93 | From Yes Bank assigned to J.C. Flowers Asset Reconstruction Pvt. Ltd (and further assigned by J C Flower to Prudent ARC Limited vide agreement dated April 16th, 2025) including current maturities of non-current borrowings<br>The change in the current year is on account of the realignment of the debt and interest as per the proposed restructuring plan.<br>Secured by<br>¤ Charge on current assets of Vending Division<br>¤ Charge over Vending Machines installed across India<br>¤ Personal Guarantee of Late. Mr.V.G. Siddhartha<br>The Board in its meeting held on February 11th, 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.<br>As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 24-Mar 26 @8.50% and the same is paid. The plan is awaiting required approval/Execution. |

**23A - Terms and conditions of outstanding borrowings (continued)**

***₹ in crores***

| Institution | Nature | Type | As at 31 March 2026 | As at 31 March 2025 | Terms and conditions |
|---|---|---|---|---|---|
| Pheonix ARC Private Limited | Secured | Term loan | - | 30.60 | ¤ 'On 27 April 2023, Coffee Day Hotels and Resorts Private Limited (subsidiary) has entered into "Full and Final Restructuring Agreement" with Phoenix ARC Private Limited and Clix Capital services Private Limited to settle the entire dues of ₹112 crores(₹100 crores(principal) and ₹12 crores for interest) for a sum of ₹95 Crores. Out of which:-<br>i) ₹45 crores has to be paid on or before 22 May 2023 and<br>ii) Balance ₹50 Crores on or before 31 December 2025.<br>The settlement is contingent upon making the payment with in the due dates mentioned above. During the year, Coffee Day Hotels and Resorts Private Limited, a subsidiary of the Company, recognized an exceptional gain of ₹18.58 crores arising from the settlement of its outstanding borrowings pursuant to a full and final restructuring agreement entered into with Phoenix ARC Private Limited and Clix Capital Services Private Limited. The gain represents the difference between the carrying amount of the loans in the books and the total amount settled, including proceeds of ₹16.40 crores realized by the lenders through the sale of invoked securities. Upon such recovery, there are no further dues outstanding to the lender as agreed in the Full and Final Restructuring Agreement. |
| Rare Asset Reconstruction Ltd (Rare) | Secured | Loan repayable on demand | - | 78.42 | From The Karnataka Bank Limited assigned to Rare Asset Reconstruction Ltd (RARE)Secured by<br>¤ Hypothecation of stocks of coffee beans located at Chikmagalur and advance paid to planters;<br>¤ Hypothecation of goods covered under export bills;<br>¤ Hypothecation of machineries acquired under LC and 10% Cash margin<br>¤ Hypothecation of Stock of Cafes<br>¤ Further, the loan is collaterally secured by -<br>- Deposit of title deeds of a property belonging to a relative of Promoter;<br>- Personal guarantee of Promoter and relatives of Promoter; and<br>- Promissory note provided by the Company and the Promoter.<br>- Land measuring 4 acres 26 guntas belonging to the Company situated at Chikamagalur<br>The Board in its meeting held on February 11th, 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.<br>As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 24-Mar 26 @8.50% and the same is paid. The plan is awaiting required approval/Execution. |
| A G Dynamic Funds Ltd., Mauritius | Unsecured | Debentures | 16.98 | 16.98 | Compulsorily convertible debentures issued to FMO - subsequently sold by FMO to Multitude Growth Funds Ltd., Mauritius (Formerly, A G Dynamic Funds Ltd.) - including current maturities of non-current borrowings<br>Inresepct of the above loan the Board in its meeting held on February 11th, 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.<br>As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 2024-Mar 2026 @8.50% or as per ECB guidelines whichever is applicable has been paid and the servicing of the Rabo loan is subservient to the other loans. The plan is awaiting required approval/Execution. |
| Multitude Growth Funds Limited | Secured | Term loan | 131.45 | 136.25 | Debt from Deutsche Investitions-Und Entwicklungsgesellschaft MBH ('DEG') - assigned to Multitude Growth Funds Limited (Formerly known as A G Dynamics Ltd)<br>The change during the current year is on account of realignment of debt and interest as per the proposed restructuring plan.<br>Secured by<br>¤ Personal guarantee of Late Mr. V. G. Siddhartha;<br>¤ Pari Passu mortgage on the Land located in Palace Road, Bangalore owned by the Company.<br>¤Charge on all movable assets of the Company.<br>The Board in its meeting held on February 11th, 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.<br>As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 24-Mar 26 @8.50% and the same is paid. The plan is awaiting required approval/Execution. |

**Notes to the financial consolidated financial statements (continued)**

**23A - Terms and conditions of outstanding borrowings (continued)**

*₹ in crores*

| Institution | Nature | Type | As at 31 March 2026 | As at 31 March 2025 | Terms and conditions |
|---|---|---|---|---|---|
| Prudent ARC Limited | Secured | Loan repayable on demand | 23.41 | 24.61 | From IndusInd Bank Limited assigned to ASREC (India) Limited (and further assigned to Prudent ARC Limited vide agreement dated 30th October 2025)<br>Secured by<br>¤ Hypothecation of Certain earmarked assets of the cafes and stock of Coffee at Hassan earmarked for export and advance paid to planters<br>¤ Personal guarantee of Late Mr. V G Siddhartha.<br>Inrespect of the above loan the Board in its meeting held on February 11th, 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.<br>As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 2024-Mar 2026 @8.50% and the same is paid. The plan is awaiting required approval/Execution. |
| Multitude Growth Funds Limited | Unsecured | Long term loan | 73.56 | 75.93 | From Impact HD, Japan (formerly MediaFlag, Japan) - assigned to Multitude Growth Funds Ltd., Mauritius (Formerly, A G Dynamic Funds Ltd.) - including current maturities of non-current borrowings<br>The Company realigned the debt and interest as per the proposed restructuring plan.<br>'- The loan is an unsecured loan<br>'The Board in its meeting held on February 11th, 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.<br>As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 24-Mar 26 @8.50% and the same is paid. The plan is awaiting required approval/Execution. |

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**24 Lease Liabilities**

₹ in crores

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Lease liability (refer note 50) | 189.88 | 197.39 |
| | **189.88** | **197.39** |

**25 Other non-current financial liabilities**

₹ in crores

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Deposits from customers | - | - |
| | - | - |

**26 Non-current provisions**

₹ in crores

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Provision for employee benefits | | |
| - Gratuity (refer note 49) | 15.26 | 10.59 |
| | **15.26** | **10.59** |

**27 Deferred tax liabilities (net)**

₹ in crores

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| *Deferred tax liability* | | |
| - Net gain on fair valuation of equity or debt instruments | 2.13 | 1.21 |
| *Deferred tax assets* | | |
| - Excess of depreciation allowed under Income Tax Act, 1961 over depreciation as per books | (0.11) | (0.15) |
| - Leases | (0.06) | (0.05) |
| - Employee benefits | (0.00) | - |
| | **1.96** | **1.01** |

**28 Other non-current liabilities**

₹ in crores

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Advance from customers | - | - |
| | - | - |

**29 Current borrowings**

₹ in crores

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| *Secured:* | | |
| Loan repayable on demand | - | - |
| *Unsecured:* | | |
| Bank overdraft | - | - |
| Other Payables | - | - |
| Current maturities of long-term debt * | | |
| - Debentures | 16.98 | 248.89 |
| - Term loans | 356.75 | 675.85 |
| | **373.72** | **924.75** |

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

**30 Lease Liabilities**

₹ in crores

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Current Lease Liability (refer note 50) | 58.16 | 50.75 |
| | **58.16** | **50.75** |

## 31 Trade payables

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Outstanding dues of micro enterprises and small enterprises | 9.87 | 8.72 |
| Outstanding dues of creditors other than micro enterprises and small enterprises | 37.96 | 55.61 |
| | **47.83** | **64.34** |

All trade payables are 'current'.

**Trade Payables aging schedule**

**As at 31 March 2026** *₹ in crores*

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Unbilled | Not Due | Total |
| (i) MSME | 8.24 | - | - | - | | 1.63 | **9.87** |
| (ii) Others | 16.54 | 0.20 | 0.08 | 18.63 | | 2.52 | **37.96** |
| (iii) Disputed dues - MSME | - | - | - | - | | - | - |
| (iv)Disputed dues - Others | - | - | | - | | - | - |
| **Total** | **24.78** | **0.20** | **0.08** | **18.63** | **-** | **4.15** | **47.83** |

**As at 31 March 2025** *₹ in crores*

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Unbilled | Not Due | Total |
| (i) MSME | 8.72 | 0.00 | - | - | | - | **8.72** |
| (ii) Others | 23.64 | 0.13 | 0.04 | 31.82 | | - | **55.62** |
| (iii) Disputed dues - MSME | - | - | - | - | | - | - |
| (iv)Disputed dues - Others | - | - | | - | | - | - |
| **Total** | **32.36** | **0.13** | **0.04** | **31.82** | **-** | **-** | **64.34** |

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 55

## 32 Other current financial liabilities

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| - Interest accrued and due on borrowings | 92.69 | 133.47 |
| Others | | |
| - Security deposits | | - |
| - Accrued salaries and benefits | 11.51 | 12.91 |
| - Creditors for capital goods | 7.97 | 9.26 |
| - Deposits from customers | 140.04 | 134.14 |
| - Creditors for expenses* | 44.86 | 57.96 |
| - Other payables | 0.15 | 0.65 |
| | **297.22** | **348.39** |

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 55

* During the year, the Company and its subsidiary, Coffee Day Trading Limited, entered into a settlement with Kotak Mahindra Capital Company in respect of outstanding dues amounting to ₹10.49 crores. Pursuant to the settlement, an amount of ₹0.25 crores was paid in full and final settlement of the liability. Consequently, the balance amount of ₹10.24 crores, being no longer payable by the Company, has been written back and recognised under Other Income in the Statement of Profit and Loss.

**33 Current provisions**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Provision for employee benefits | | |
| - Gratuity (refer note 49) | 0.70 | 0.51 |
| - Compensated absence | 5.38 | 5.27 |
| Provision for purchases and expenses* | 12.28 | 13.92 |
| | **18.37** | **19.69** |

***Movements in Provision for purchases and expenses:**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Opening Balance | 13.92 | 22.99 |
| Add : Addition | 12.28 | 13.92 |
| Less : Reversal | (13.92) | (22.99) |
| **Closing Balance** | **12.28** | **13.92** |

**34 Current tax liabilities**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| - Provision for tax, net of advance tax | 155.70 | 142.41 |
| | **155.70** | **142.41** |

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Opening balance | 142.41 | 120.72 |
| Add: Current tax payable for the year | (1.15) | (0.73) |
| Add: Interest on income tax payable | 14.45 | 22.42 |
| Less: taxes Paid during the year | - | - |
| | **155.70** | **142.41** |

Coffee Day Trading Limited(subsidiary) has not remitted income tax demand of Rs.70.21 crores relating to financial year 2018-19 relevant to Asst Year 2019-20. The demand as per 143(1) intimation on 15.06.2020 is Rs.41.55 crores.

The company has not remitted income tax demand of Rs.76.82 crores relating to financial year 2019-20 relevant to Asst Year 2020-21. The demand as per 143(1) intimation on 15.06.2020 is Rs.56.65 crores. The demand as per 143(1) intimation on 15 June 2020 is Rs 56.65 crores, against which the company had preferred an appeal before Commissioner of Income Tax (Appeals), Bangalore, in respect of addition made by assessing officer and CIT(A) referred back to assessing officer for reverification.

**35 Other current liabilities**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Advance from customers | 8.50 | 9.55 |
| Statutory dues | 5.76 | 10.44 |
| Others | 0.02 | 0.12 |
| Advance payments towards unexpired gift vouchers | 0.80 | 1.26 |
| Government subsidy received in advance (refer note 48) | 3.25 | 3.34 |
| | **18.33** | **24.70** |

*(This space is intentionally left blank)*

## 36 Revenue from operations

₹ in crores

| A | Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|---|
| | **Sale of products** | | |
| | Sale of food, beverages and other items | 1,033.48 | 984.78 |
| | Sale of merchandise items | 0.08 | 0.13 |
| | **Sale of services** | | |
| | Rental income from SEZ and IT parks | | - |
| | Service income from coffee vending machines | 140.09 | 135.65 |
| | Income from operations of resort | 20.48 | 42.15 |
| | **Other operating revenue** | | |
| | Advertisement income | 6.16 | 7.87 |
| | Less: Service tax and GST | (74.02) | (81.52) |
| | Less: trade discounts | (10.51) | (11.21) |
| | | **1,115.75** | **1,077.86** |

**B Disaggregation of revenue from contracts with customers**

Revenue from customers is disaggregated by primary geographical market, major products and services.

₹ in crores

| For the year ended 31 March 2026 | Coffee and related business | Hospitality services | Investment and other corporate operations | Total |
|---|---|---|---|---|
| Primary Geographical Markets | 1,093.91 | 21.84 | - | 1,115.75 |
| India | 1,093.42 | 21.84 | - | 1,115.26 |
| Europe | 0.49 | - | - | 0.49 |
| Other foreign countries | - | - | - | - |
| | **1,093.91** | **21.84** | **-** | **1,115.75** |

**C Contract Balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

₹ in crores

| Particulars | As at 31 March 2026 |
|---|---|
| Contract assets | - |
| Contract liabilities | - |

## 37 Other income

₹ in crores

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Interest income under effective interest method | 7.52 | 18.68 |
| Interest on income tax refund | 1.39 | 19.01 |
| Interest on CESTAT Appeal Deposit refund | 0.62 | - |
| Profit on sale of property, plant and equipment (Refer note 47) | 0.02 | 5.53 |
| Rental income | 0.72 | 0.21 |
| Miscellaneous income | 9.79 | 2.74 |
| Liability no longer required written back (Refer note 32) | 10.24 | - |
| Provisions no longer required written back | 0.43 | 0.14 |
| Gain / Loss on termination of Lease | 7.93 | 1.47 |
| | **38.66** | **47.78** |

## 38 Cost of materials consumed

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Opening stock of raw coffee, packing materials, perishables, consumables and merchandise | 27.87 | 22.17 |
| Purchase of raw materials and packing materials | | |
| - Purchase of coffee beans | 262.77 | 223.25 |
| - Purchase of perishables, consumables and packing materials | 295.78 | 304.33 |
| Closing stock of raw coffee, packing materials, perishables, consumables and merchandise | (26.83) | (27.87) |
| | **559.59** | **521.88** |

## 39 Employee benefits expense

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Salaries and wages | 142.69 | 141.31 |
| Contribution to provident and other funds | 12.29 | 12.21 |
| Staff welfare expenses | 0.82 | 0.92 |
| | **155.80** | **154.44** |

## 40 Finance costs

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Interest expense | 80.59 | 92.29 |
| Other borrowing costs | 11.72 | 17.49 |
| | **92.31** | **109.78** |

## 41 Depreciation and amortization expense

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Depreciation of property, plant and equipment (refer note 4) | 73.76 | 74.04 |
| Depreciation on investment properties (refer note 5) | - | - |
| Amortization of intangible assets (refer note 7) | 0.10 | 0.10 |
| Amortization of Right of Use of Asset (Ind AS 116)(refer note 4) | 55.62 | 51.28 |
| | **129.48** | **125.42** |

## 42 Other expenses

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Rent (Refer note 50) | 31.79 | 30.69 |
| Legal, professional and consultancy | 13.11 | 14.11 |
| Brokerage and commission | 11.90 | 11.73 |
| Power and fuel | 32.51 | 36.80 |
| Transportation, travelling and conveyance | 38.26 | 45.69 |
| Repairs and maintenance | | |
| - plant and machinery | 13.47 | 11.52 |
| - buildings | 1.04 | 1.24 |
| - others | 8.03 | 8.49 |
| Communication expenses | 5.02 | 4.64 |
| Software Maintenance Charges | 11.00 | 8.51 |
| Sub contracting charges | 51.71 | 50.33 |
| Café housekeeping and maintenance | 7.09 | 9.15 |
| Rates and taxes | 4.02 | 4.90 |
| Advertising and business promotion expenses | 11.25 | 10.02 |
| Bad debts written off | 0.00 | 0.01 |
| Advances written off | - | 1.46 |
| Grinding and curing charges | - | 1.76 |
| Security charges | - | 0.06 |
| Insurance | 0.95 | 0.91 |
| Freight and handling charges | 0.03 | 0.08 |
| Office maintenance and utilities | 2.44 | 2.15 |
| Food, beverages and other consumables | 1.51 | 2.22 |
| Donation | 0.72 | 0.09 |
| Printing and stationery | 0.54 | 0.60 |
| Director's fees | 0.46 | 0.27 |
| Impairment of Assets | 14.06 | 2.46 |
| Allowance for expected credit loss | 0.04 | 0.83 |
| Provision for doubtful Deposit | - | 0.13 |
| Miscellaneous expenses | 3.85 | 4.33 |
| | **264.81** | **265.19** |

## 43 Exceptional items

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Gain on loan settlements (Refer note 23A & 59) | 203.96 | - |
| One time expense on Implemantion of Social security code, 2020 (Gratuity past service cost (Refer note 49C.) | (9.11) | - |
| Gains of CDGL on settlement with lenders, cancellation of lease deed and sale of land (Refer note 58) | 43.49 | - |
| Loss on discharge of Corporate Guarantee (Refer note 63) | - | (11.00) |
| Gain on loss of control of subsidiary (Refer note 62) | - | 58.89 |
| | **238.34** | **47.89** |

*(This space is intentionally left blank)*

## 44 Income tax

### A. Amounts recognised in statement of profit and loss

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| **Current income tax:** | | |
| Income tax charge | 0.03 | (1.06) |
| Adjustments in respect of income tax of previous year | (1.18) | 0.33 |
| | **(1.15)** | **(0.73)** |
| **Deferred tax:** | | |
| Relating to origination and reversal of temporary differences | (10.40) | 131.96 |
| | **(10.40)** | **131.96** |
| **Income tax expense reported in the statement of profit or loss** | **(11.55)** | **131.23** |

### B. Amounts recognised in other comprehensive income

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| (Loss) on financial assets measured at fair value through other comprehensive income, net of tax | (0.91) | (0.04) |
| Net (gain) on remeasurement of defined benefit liability/ (assets) | 0.00 | - |
| **Income tax charged to other comprehensive income** | **(0.91)** | **(0.04)** |

### C. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| **Profit/(loss) before share of profit of equity accounted investees from continuing operations** | 190.75 | (6.18) |
| Loss from entities in the Group before taxes | - | - |
| **Adjusted profit before tax** | **190.75** | **(6.18)** |
| Tax at the Indian tax rate of 25.17% (31 March 2025: 25.17%) | 48.01 | (1.56) |
| **Effect of:** | | |
| Non deductible expenses | (1.87) | 0.06 |
| Adjustments in respect of income tax of previous years | (1.18) | 0.33 |
| Income taxed at special rates | 7.04 | (0.07) |
| Increase in tax rate | - | |
| Tax Effect of Brought Forward Losses Utilised during the year | (35.26) | |
| Others | (28.30) | 132.46 |
| **Income tax expense** | **(11.55)** | **131.23** |

### D. Movement in deferred tax balances

*₹ in crores*

| Particulars | Balance as on 1 April 2025 | Recognised in profit or loss | Recognised in OCI | Net | Deferred tax assets as at 31 March 2026 | Deferred tax liabilities as at 31 March 2026 |
|---|---|---|---|---|---|---|
| Property, Plant and Equipment | 81.00 | 19.51 | - | 100.51 | 100.40 | (0.11) |
| Trade and other receivables | 38.09 | (3.70) | - | 34.38 | 34.38 | - |
| Investments | 1.21 | (2.43) | (0.91) | (2.13) | - | 2.13 |
| Loans and Borrowings | - | - | - | - | - | - |
| Security deposits | 4.96 | (4.46) | - | 0.50 | 0.50 | - |
| Employee benefits | 2.89 | (0.61) | - | 2.28 | 2.27 | (0.00) |
| Tax loss Carried forward | 170.45 | (10.93) | - | 159.52 | 159.52 | - |
| Leases | (0.05) | 10.98 | - | 10.93 | 10.87 | (0.06) |
| | **298.54** | **8.36** | **(0.91)** | **306.00** | **307.95** | **1.96** |

Since the Coffee Day Global Limited(subsidiary) has exercised the option permitted under section 115BAA of the Income-tax Act, 1961, the Company is subject to Income tax at a concessional rate of 25.17% (inclusive of surcharge and cess), as against the earlier applicable rate of 34.94%. Consequent to the adoption of the new tax regime, the Coffee Day Global Limited(subsidiary) has remeasured its deferred tax balances using the revised tax rate. This remeasurement has resulted in a reversal of Deferred Tax Asset amounting to ₹132.07 crores, which has been recognised in the Statement of Profit and Loss during FY 24-25.

**E. 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.

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Unused tax losses | 1,195.47 | 1,356.71 |
| Potential tax benefit | 245.96 | 280.14 |
| Carry forward of unabsorbed depreciation | 4.18 | 4.18 |
| Potential tax benefit | 1.05 | 1.05 |
| **Others** | | |
| Temporary differences on account of fair value of instruments through other comprehensive income | - | - |
| Deductible temporary differences | 145.00 | 145.00 |
| Potential tax benefit | 31.60 | 32.44 |

**F Uncertain tax position**

i) Coffee Day Trading Limited(subsidiary) has filed rectification application on 14.03.2020 against the demand letter dated 10.03.2020 issued Deputy commissioner of Income Tax for an amount of Rs.1.71 crores for assessment year 2018-19. As it is evident from the computation sheet, there is a mistake in calculation of interest u/s 234A, 234B & 234C and company is not expecting any taxability against the demand letter.

ii)Appeal pending before Commissioner of Income Tax (Appeals) for AY 2018-19 pending on - additions made U/s.14A of the act of Rs.1.09 crores & Disallowance of interest of Rs.48.25 crores U/s.36(1)(iii) of the act. However the Assessing Officer, has already passed order U/s.154 of the act deleting the addition made in the assessment order U/s.143(3) of the act and refunded the excess taxes paid of Rs.12.61 crores. CIT(A) has dismissed the appeal and passed the closure order on 27th January 2026 and the same has been appealed to ITAT on 23rd March 2026 and it is pending for conclusion.

Appeal pending before Commissioner of Income Tax (Appeals) for AY 2018-19 pending on - additions made U/s.14A of the act of Rs.1.09 crores & Disallowance of interest of Rs.48.25 crores U/s.36(1)(iii) of the act. However the Assessing Officer, has already passed order U/s.154 of the act deleting the addition made in the assessment order U/s.143(3) of the act and refunded the excess taxes paid of ₹ 12.61 crores. CIT(A) has dismissed the appeal and passed the closure order on 27th January 2026 and the same has been appealed to ITAT on 23rd March 2026 and it is pending for conclusion.

The Company and certain its subsidiaries have exercised the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 in earlier years.

*(This space is intentionally left blank)*

**45 Contingent liabilities and commitments**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Contingent liabilities:** | | |
| Claims against the Group not acknowledged as debt (includes tax demands) | 91.56 | 90.06 |
| **Commitments:** | | |
| Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for | 0.03 | - |
| | **91.59** | **90.06** |

**Notes:**

a)The company has received the demand of ₹ 5.69 crores during the year in respect of AY 2011-12 pursuant to the re-assessment u/s 143(3) rws 147. the company had filed appeal in CIT (Appeals)for the above said order and the same disposed in company favor on 22.02.2024. Income Tax Department went for an appeal before ITAT against the order passed by CIT(Appeals). ITAT has allowed the appeal filed by the company in FY 2024-25.

b) The Supreme court of India in the month of February 2019 had passed a judgment relating to definition of wages under the Provident Fund Act, 1952. However, considering that there are numerous interpretative issues relating to this judgment and in the absence of reliable measurement of the provision for the earlier periods, the Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Group does not expect any material impact of the same.

c) 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. The above amount is net off of amounts deposited under protest to the extent of ₹ 1.29 Crores (31 March 2025: ₹ 2.16 Crores).

d) Assistant Commissioner of Commercial tax has passed an order demanding ₹ 13.28 crores to be payable on loans given to related parties and certain inputs credits claimed. Tanglin Developments Limited(Subsidiary) went for appeal against the demand before JCCT(Joint Commissioner of Commercial Taxes)Appeal I and Tanglin Developments Limited(Subsidiary) has won the same vide an order dated 4th January 2025. Additional Commissioner of Commercial taxes has re-opened the order of JCCT Appeals u/s 108 of CGST, 2017 and passed an order on 2nd May 2026 demanding ₹ 13.28 crores and Tanglin Developments Limited(Subsidiary) is planning to file an appeal before GSTAT (GST Appealate Tribunal).

e) Income tax department has raised demand of ₹ 17.24 crores for AY 2018-19 during assessment by disallowing employee benift expenses and Marnes Enterprises Private Limited(susbsidiary) has filed an appeal before the Commissioner of Income Tax (Appeals).

f) 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 judgments/decisions pending with various forums/authorities.

g) 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.

h) The National Company Law Tribunal (NCLT) has taken up an application filed by the Insolvency adminstrator of Foreign subsidiary "Coffee Day and Kaffeehandels GmbH( Vienna, Austria) for a claim amunt of Euro 3,28,767 with interest applicable @9.20 p.a. from Dec 2020. We have filed objection to the claim made. The party has filed rejoinder to the objections made by us. The legal proceedings is in progress

**46 Earnings per share**

**(i) Reconciliation of earnings for calculation of earnings per share:**

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Profit for the year attributable to the equity shareholders | 203.07 | (58.05) |
| **Net profit for basic / diluted earnings per share** | **203.07** | **(58.05)** |

**(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 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Number of equity shares at the beginning of the year (refer note 21) | 21,12,51,719 | 21,12,51,719 |
| Add: Weighted average number of equity shares issued during the year | - | - |
| **Weighted average number of equity shares for calculation of earnings per share** | **21,12,51,719** | **21,12,51,719** |

**(iii) Earnings per share:**

| | | |
|---|---|---|
| From continuing operations | | |
| - Basic | 9.61 | (2.75) |
| - Diluted * | 9.61 | (2.75) |
| * No dilutive shares outstanding as at balance sheet date | | |

**47 Assets classified as held for sale**

**CDGL foreign subsidiaries**

**The Subsidiary of the CDGL has discontinued its international operations due to viability issues.**

Coffee Day Global Limited (subsidiary) has been able to dispose a substantial portion of its Assets held for sale during the year. The foreign operating subsidiaries of Coffee Day Global Limited (subsidiary) went into liquidation and accordingly the discontinued operations for the period is nil.

**Assets held for sale and liabilities associated with assets held for sale**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Assets held for sale | | |
| Corporate building* | - | - |
| Corporate building - Plant and Equipment's* | - | - |
| Assets of A N Coffeeday International | 0.00 | 0.00 |
| Assets of Coffee Day Gastronomie Und Kaffeehandles GmbH | - | 2.33 |
| Assets of Coffee Day CZ a.s | - | 3.22 |
| Assets Held for sale TDL | | |
| | **0.00** | **5.55** |
| Less: Impairment | - | - |
| | **0.00** | **5.55** |
| Liabilities associated with assets held for sale | | |
| Liabilities of A N Coffeeday International | - | 0.44 |
| Liabilities of Coffee Day Gastronomie Und Kaffeehandles GmbH | - | 3.18 |
| Liabilities of Coffee Day CZ a.s | - | 4.70 |
| | **-** | **8.33** |

The Company's foreign subsidiary, A N Coffee Day, and its step-down subsidiaries, Coffee Day Gastronomie and Coffee Day Czech Republic, have been liquidated. Consequent to the liquidation, the Company has lost control over these entities and accordingly, they have been deconsolidated from the consolidated financial results. The gain on derecognition amounting to Rs 6.95 Crores has been recognised in the Statement of Profit and Loss. The Company is in the process of filing the application with the Reserve Bank of India.

**48 Government grant**

Coffee Day Global Limited had in previous years, received a net grant under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (erstwhile Aajeevika Skills Development Programme) as on March 31, 2026, ₹ 14.76 crores (31 March 2025: ₹14.76 crores net amount), launched by the Ministry of Rural Development (MoRD), Government of India, towards providing training facilities.
The unutilised amount of the total grant received as at 31 March 2026 is ₹ 3.25 crores (31 March 2025: ₹ 3.33 crore).

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**49 Employee benefits obligations**

**A. Defined benefit plan**

The Group has a defined benefit gratuity plan in India, governed by the Social Security Code - 2020. 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**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Change in projected benefit obligation:** | | |
| Obligations at the beginning of the year | 19.14 | 17.32 |
| Included in profit and loss: | | |
| - Service cost | 2.78 | 2.18 |
| -Past Service cost | 9.22 | |
| - Interest cost | 1.03 | 0.94 |
| Included in other comprehensive income: | | |
| - Actuarial (gains)/ losses arising from changes in financial assumptions | (0.55) | 1.01 |
| - due to changes in demographic assumptions | (0.00) | (0.00) |
| - Actuarial (gains)/ losses arising from experience adjustments | 1.95 | (0.27) |
| - (Return)/ loss on plan assets excluding interest income | (0.20) | (0.14) |
| Benefits settled | (3.89) | (1.89) |
| **Obligations at year end** | **29.48** | **19.14** |
| **Change in plan assets:** | | |
| Plans assets at the beginning of the year, at fair value | 8.05 | 7.22 |
| Included in profit and loss: | | |
| - Interest income | 0.00 | 0.00 |
| Expected return on plan assets | 0.52 | 0.52 |
| Actuarial (loss)/gain | (0.39) | 0.17 |
| Contributions | 9.24 | 2.04 |
| Benefits settled | (3.89) | (1.89) |
| **Plans assets at year end, at fair value** | **13.52** | **8.05** |

**Liability recognised in the balance sheet**

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Fair value of plan assets: | 13.52 | 8.05 |
| Present value of defined benefit obligation at the end of the year | 29.48 | 19.14 |
| **Total employee benefit liabilities** | **15.96** | **11.10** |
| | | |
| **Net liability:** | | |
| - Current | 0.70 | 0.51 |
| - Non current | 15.26 | 10.59 |
| - Prepaid gratuity | (0.00) | (0.00) |

**49 Employee benefits obligations (continued)**

**C. (i) Expense recognised in profit or loss:**

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Cost for the year** | | |
| Current Service cost | 2.78 | 2.18 |
| Past Service cost | 9.22 | |
| Interest cost | 1.03 | 0.94 |
| Interest income | (0.52) | (0.52) |
| **Net gratuity cost** | **12.51** | **2.61** |

**(ii) Remeasurements recognised in other comprehensive income:**

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Actuarial (gains)/ losses arising from changes in financial assumptions | (0.55) | 1.01 |
| Actuarial (gains)/ losses arising from experience adjustments | 1.95 | (0.27) |
| Actuarial (gains)/ losses due to changes in demographic assumptions | (0.00) | (0.00) |
| (Return)/ loss on plan assets excluding interest income | 0.58 | (0.02) |
| **Net gratuity cost** | **1.98** | **0.72** |

**D.** Plan assets comprise of the funds amounting to ₹ 13.52 crore (31 March 2025: ₹ 8.05 crore).

**E. Defined benefit obligation**

**(i) Actuarial assumptions**

Principal actuarial assumptions at the reporting date:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Interest rate | 6.56% -7.24% | 6.53% -6.80% |
| Salary increase | 6.5% -10.36% | 4% - 12.27% |
| Retirement age | 58- 60 years | 58- 60 years |
| Attrition rate | 0% -40% | 0% -40% |
| Mortality table | IALM (2012-14) | IALM (2012-14) |

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) Risk Characteristics of the Defined Benefit Plan**

**a) Investment risk**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period

**b) Market Risk (Discount rate)**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**c) Longevity Risk**

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after . Typically for the benefits paid on or before the retirement age , the longevity risk is not very material.

**49 Employee benefits obligations (continued)**

**E. Defined benefit obligation(continued)**

**d) Actuarial Risk**

**Salary Increase Assumption**

Actual Salary increase that are higher than the assumed salary escalation , will result in increase to the Obligation at a rate that is higher than expected

**Attrition/Withdrawal Assumption**

If actual withdrawal rates are higher than assumed withdrawal rates, the benefits will be paid earlier than expected. Similarly if the actual withdrawal rates are lower than assumed, the benefits will be paid later than expected. The impact of this will depend on the demography of the company and the financials assumptions.

**e) Regulatory Risk**

Any Changes to the current Regulations by the Government, will increase (in most cases) or Decrease the obligation which is not anticipated. Sometimes, the increase is many fold which will impact the financials quite significantly.

**(iii) 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.

***₹ in crores***

| Particulars | For the year ended 31 March 2026 | | For the year ended 31 March 2025 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (100 basis points movement) | 32.13 | 33.60 | 21.29 | 22.46 |
| Future salary growth (100 basis points movement) | 33.59 | 32.53 | 22.47 | 21.30 |

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.

**iv) Maturity Profile of Defined Benefit Obligation**

**Expected Future Cashflows**

**₹ in Crores**

| Year | 31 March 2026 | 31 March 2025 |
|---|---|---|
| Year 1 | 10.75 | 7.99 |
| Year 2 | 6.90 | 3.86 |
| Year 3 | 4.58 | 2.40 |
| Year 4 | 2.95 | 1.63 |
| Year 5 | 1.90 | 1.04 |
| Years 6-10 | 2.52 | 1.51 |
| Years 10 and above | 0.20 | 0.14 |

**v) Components of Defined Benefit Cost for Next Year**

**₹ in Crores**

| Particulars | 01/04/2025 to 31/3/32026 |
|---|---|
| Service cost | |
| a. Current service cost | 3.29 |
| b. Past service cost | - |
| c. Gain/loss on settlement | - |
| d. Total service cost | 3.29 |
| Net interest cost | - |
| a Interest expenses on DBO | 1.36 |
| b. Interest (income) on plan assets | (0.89) |
| c. Interest expense on effect of (asset ceiling) | - |
| d. Total net interest cost | 0.47 |
| Administrative Expenses and Taxes | - |
| Defined Benefit cost included in P&L | 3.76 |
| Expected Company Contributions for the Next Year | 10.46 |

**49 Employee benefits obligations (continued)**

**E. Defined benefit obligation(continued)**

**vi) Plan Assets**

₹ in Crores

| Particulars | 01/04/2025 to 31/3/2026 | 01/04/2024 to 31/3/2025 |
|---|---|---|
| The weighted-average asset allocations at the year end were as follows: | | |
| Equities | 0.00% | 0.00% |
| Bonds | 0.00% | 0.00% |
| Gilts | 0.00% | 0.00% |
| Pooled assets with an insurance company | 100% | 100% |
| Other | 0.00% | 0.00% |
| **Total** | 100% | 100% |
| **Actual return on plan assets** | 0.68 | 0.68 |

The scheme is funded through a Trust and the funds are manged by a life Insurance company

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## 50 Leases

**a) Operating lease**

Effective April 1,2019, the group adopted Ind AS 116 "Leases" and applied to all lease contracts existing on April 1,2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

Consequently, the company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under earlier accounting policies as noted in the previous year financial statements.

The company's lease assets primarily consists of leases for land and buildings. The company has recognised right-of-use assets and lease liability in respect of these leases on adoption of Ind AS 116. The lease liability is secured by the respective security deposits. The lease liability terms varies between 2 to 20 years, and are payable in monthly instalments.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is , 12.50% and 12.75%.

**b) Effects on adoption of Ind AS 116:**

i) On transition, the adoption of the new standard resulted in recognition of 'Right of Use asset' of ₹ 685.24 crores, and a lease liability of ₹ 843.24 crores. The cumulative effect of applying the standard of was adjusted with opening balance of retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS116 will result in decrease in cash out flows from operating activities and an increase in cash out flows from financing activities on account of lease payments.
ii) On transition the carrying value of lease hold land of ₹ 90.02 crores has been reclassified from Property, Plant & Equipment to 'Right of Use asset".
iii) Opening balance of prepaid rent on Buildings as at 01 April, 2019, which were earlier classified under Other current assets and Other non current assets have been adjusted to right-of-use assets by ₹ 23.12 crores and depreciated over the lease term.
iv) On pre-mature termination of lease contract the related right-of-use asset and lease liability is de-recognised and the differential amount is recognised in profit and loss account.

**c) The following is the movement in lease liabilities during the year ended 31 March 2026 & 31 March 2025** ***Rs in crores***

| **Particulars** | **For the year ended 31 March 2026** | **For the year ended 31 March 2025** |
|---|---|---|
| Opening Balance | 248.14 | 204.06 |
| Additions on account of new leases entered during the year | 56.41 | 101.46 |
| Finance cost accrued during the period | 31.20 | 30.15 |
| Deletion on termination of leases during the year | (6.36) | (4.30) |
| Payment of Lease liabilities | (81.36) | (83.23) |
| **Closing Balance** | **248.03** | **248.14** |

**The following is the break-up of current and non-current lease liabilities as at 31 March 2026 & 31 March 2025**

***Rs in crores***

| **Particulars** | **As at 31 March 2026** | **As at 31 March 2025** |
|---|---|---|
| Current Lease Liability | 58.16 | 50.75 |
| Non Current Lease Liability | 189.88 | 197.39 |
| **Total** | **248.03** | **248.14** |

**d) The table below provides the details of minimum lease payments and their present values:** ***Rs in crores***

| **Particulars** | **As at 31 March 2026** | | **As at 31 March 2025** | |
|---|---|---|---|---|
| | **Minimum lease payments** | **Net present value** | **Minimum lease payments** | **Net present value** |
| Not later than 1 year | 79.02 | 71.02 | 67.97 | 44.62 |
| Later than 1 year and not later than 5 years | 187.53 | 136.92 | 174.54 | 143.94 |
| More than 5 years | 81.07 | 40.09 | 77.86 | 59.58 |

**e) Other notes** ***Rs in crores***

| **Particulars** | **For the year ended 31 March 2026** | **For the year ended 31 March 2025** |
|---|---|---|
| i) Rental expenses recognised in profit and loss statement, in respect of low value leases and short term lease, for which IND AS 116 not been applied | 31.79 | 30.69 |

**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 and with whom transactions have taken place:**

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 Private Limited
Smt. Vasanthi Hegde

**C. Key management personnel :**
**Executive key management personnel:**

Ms. Malavika Hegde(CEO)
Mr. R. Ram Mohan
Mr. Sadananda Poojary
Mr. Jayraj Hubli

**Non-Executive / Independent Directors:**

Mr. Mohan Raghavendra Kondi
Mrs. C H Vasudharadevi
Dr. I.R Ravish
Mr. B Chandrashekar Rao
Mrs. Sowrabhi Ramadas

**D.Other related parties with whom transactions have taken place:**

SVGH Education Trust
Mahadeswara Enterprises

**E.Relative of Key Management Personnel**

Mr.Amarthya Hegde
Prema Krishna

**F. Related party transactions other than those with key management personnel**
**I. The following is a summary of transactions :**

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| **Loans / advance recovered** | | |
| Mysore Amalgamated Coffee Estates Limited | 15.70 | - |
| **Reimbursement of expenses paid** | | |
| Coffee Day Schaerer Technologies Private Limited | 0.01 | 0.00 |
| **Sale of coffee and service income** | | |
| Barefoot Resorts And Leisure India Pvt. Ltd | 0.02 | 0.01 |
| SVGH Eductaion Trust | - | 0.01 |
| AC & C Hospitality Resorts LLP | 0.07 | 0.82 |
| **Rent Paid** | | |
| Prema Krishna | 0.02 | 0.03 |
| Mahadeswara Enterprises | 0.14 | 0.11 |
| **Consultancy Income** | | |
| AC & C Hospitality Resorts LLP | 5.34 | 0.33 |
| **Salary paid** | | |
| Amarthya Hegde | 0.24 | 0.24 |

**51 Related party transactions (continued)**

**F. Related party transactions other than those with key management personnel**

**II. The following is a summary of balances receivable from and payable:**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Advance given for purchase of land *** | 275.00 | 275.00 |
| **Capital advances** | | |
| Dark Forest Furniture Company Private Limited | 24.52 | 24.52 |
| **Provision for doubtful advances** | | |
| Dark Forest Furniture Company Private Limited | 24.52 | 24.52 |
| Coffee Day Consultancy Services Private Limited | 0.45 | 0.45 |
| **Current loans **** | | |
| Coffee Day Barefoot Resorts Private Limited | 15.40 | 15.40 |
| Coffee Day Resorts (MSM) Private Limited | - | 0.05 |
| Coffee Day Natural Resources Private Limited | 0.06 | 0.06 |
| Mysore Amalgamated Coffee Estates Limited | 2,274.51 | 2,274.51 |
| Coffee Day Consultancy Services Private Limited | 0.45 | 0.45 |
| **Advances for supply of goods & rendering of services** | | |
| Sampigehutty Estates Private Limited | 0.15 | 0.15 |
| **Reimbursement of expenses** | | |
| Coffee Day Schaerer Technologies Private Limited | 1.78 | 2.38 |
| **Other Advances** | | |
| Mysore Amalgamated Coffee Estates Limited | 1,082.62 | 1,098.32 |
| **Trade receivables** | | |
| Coffee Day Econ Private Limited | 19.40 | 19.40 |
| Barefoot Resorts and Leisure India Pvt. Ltd | 0.01 | 0.00 |
| SVGH Eductaion Trust | 0.01 | 0.01 |
| AC & C Hospitality Resorts LLP | 0.01 | 0.02 |
| **Other Payables** | | |
| Prema Krishna | 0.15 | 0.15 |
| Mahadeswara Enterprises | 0.01 | 0.01 |
| **Provision for Doubtful debts** | | |
| Coffee Day Econ Private Limited | 19.40 | 19.40 |

* Balances includes advances made Smt. Vasanthi Hegde for Rs. 275 crore.

** **Terms and conditions on which inter-corporate loans have been given:**

| Party name | Nature of relationship | Interest rate | Repayment terms | Purpose |
|---|---|---|---|---|
| Coffee Day Resorts MSM Private Limited | Enterprise where significant influence | 0%* | On demand | General |
| Coffee Day Barefoot Resorts Private Limited | Enterprise where significant influence | 0%* | On demand | General |
| Coffee Day Natural Resources Private Limited | Enterprise where significant influence | 0%* | On demand | General |
| Mysore Amalgamated Coffee Estates Limited | Enterprise where significant influence | 0% | 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 subsidiary Coffee Day Hotels & Resorts Private Limited 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 subsidiaries has not charged interest in relation to loan provided.

**51 Related party transactions (continued)**

**G. Related party transactions with key management personnel**

**I. The following is a summary of transactions:**

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Compensation | | |
| - Short-term employee benefits* | 7.29 | 6.66 |
| -Post-Employment Benefits | - | 0.03 |

* 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 to KMP**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Personal guarantee received | 562.72 | 1,143.57 |

Late Mr.V.G.Siddhartha has demised on 31st July 2019. The lenders have not made any changes to the terms with respect to his personal guarantee for the loans provided by them to the company.

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## 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 & Whole Time Director of the company have been identified as the CODM.

Accordingly, information has been presented along these business segments viz. Coffee and related business 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.

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:

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| **Revenue from external customers:** | | |
| Coffee and related business | 1,093.91 | 1,033.73 |
| Hospitality services | 21.84 | 44.13 |
| Investment and other corporate operations | 0.00 | 0.00 |
| **Inter-segment revenue:** | | |
| Coffee and related business | 0.02 | 0.91 |
| Hospitality services | 0.75 | 2.30 |
| Investment and other corporate operations | 0.12 | 0.12 |
| **Total segment revenue** | **1,116.64** | **1,081.19** |
| Reconciling items: | | |
| - inter-segment revenue | (0.89) | (3.33) |
| **Total revenue as per statement of profit and loss** | **1,115.75** | **1,077.86** |

### (ii) Segment Results

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Coffee and related business | 201.95 | 153.07 |
| Hospitality services | 9.47 | 75.39 |
| Investment and other corporate operations | 208.98 | (5.23) |
| **Total segment results** | **420.40** | **223.23** |

**52 Segment information (continued)**

**(ii) Segment Results (continued)**

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Reconciling items: | | |
| - depreciation | (129.48) | (125.42) |
| - finance cost | (92.31) | (109.78) |
| **Profit before tax as per statement of profit and loss** | **198.61** | **198.61** |
| Income tax expense | 11.55 | (131.23) |
| **Profit after tax as per statement of profit and loss** | **210.16** | **67.38** |

**(iii) Geographical information**

**(a) Segment Revenue:**

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| **Revenue from external customers:** | | |
| India | 1,115.26 | 1,077.51 |
| Europe | 0.49 | 0.35 |
| - Other foreign countries | - | - |
| Inter-segment revenue: | 0.89 | 3.33 |
| **Total segment revenue** | **1,116.64** | **1,081.19** |

**(b) Segment non-current assets**

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| - India | 757.29 | 894.12 |
| - Other foreign countries | - | - |
| **Total** | **757.29** | **894.12** |
| Reconciling items: | | |
| - deferred tax assets | 307.95 | 297.53 |
| - non-current financial assets | 55.40 | 85.15 |
| **Total non-current assets** | **1,120.64** | **1,276.79** |

**(iv) Revenue from major products and services**

The Group's revenue from continuing operations from its major products or services are as follows:

*₹ in crores*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Sale of food, beverages and coffee beans | 1,093.91 | 1,033.73 |
| Income from operations of resort | 21.84 | 44.13 |
| Rental income from SEZ and IT parks | 0.00 | 0.00 |

**(v) Information about major customers**

The Group does not derive more than 10% of it's revenues 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 2026 is as follows:

₹ in crores

| Name of the entity in the Group | Net Assets | | Share in profit or loss | | Share in other comprehensive | | Share in total comprehensive | |
|---|---|---|---|---|---|---|---|---|
| | 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 | 67.9% | 2,143.44 | (82.8%) | 174.06 | 50.2% | 2.20 | (82.2%) | 176.26 |
| ***Indian subsidiaries*** | | | | | | | | |
| Coffee Day Global Limited* | (27.0%) | (851.03) | (2.0%) | 4.30 | -26.7% | (1.17) | (1.5%) | 3.13 |
| Tanglin Development Limited | 32.6% | 1,027.60 | -1.5% | 3.07 | 89.2% | 3.91 | -3.3% | 6.98 |
| Coffee Day Trading Limited | 41.3% | 1,304.65 | 2.6% | (5.51) | 5.8% | 0.25 | 2.5% | (5.26) |
| Coffee Day Hotels And Resorts Private Limited | (2.6%) | (82.27) | -8.8% | 18.46 | (18.3%) | (0.81) | -8.2% | 17.66 |
| Wilderness Resorts Private Limited | -0.7% | (21.14) | 0.2% | (0.38) | 0.0% | - | 0.2% | (0.38) |
| Karnataka Wildlife Resorts Private Limited | (0.7%) | (23.04) | (0.7%) | 1.41 | 0.0% | - | (0.7%) | 1.41 |
| Tanglin Retail Reality Developments Private Limited | (14.8%) | (466.94) | 0.0% | (0.08) | -0.1% | (0.00) | 0.0% | (0.09) |
| Girividyuth India Limited | (6.6%) | (207.23) | 0.0% | (0.05) | 0.0% | - | 0.0% | (0.05) |
| Coffee Day Kabini Resorts Limited | (3.2%) | (99.83) | 0.0% | (0.04) | 0.0% | - | 0.0% | (0.04) |
| Way2Wealth Capital Private Limited | (0.1%) | (3.22) | 0.0% | (0.01) | 0.0% | - | 0.0% | (0.01) |
| Way2Wealth Enterprises Limited | 0.0% | (0.75) | 0.0% | (0.01) | 0.0% | - | 0.0% | (0.01) |
| Calculus Traders LLp | 0.0% | 0.03 | 0.0% | (0.00) | 0.0% | - | 0.0% | (0.00) |
| ***Associates (investment as per the equity method)*** | | | | | | | | |
| Barefoot Resorts & Leisure India Private Limited* | 0.5% | 15.65 | 0.0% | 0.06 | 0.1% | 0.00 | 0.0% | 0.06 |
| Magnasoft Consulting India Private Limited* | 0.5% | 16.87 | (1.4%) | 2.96 | 6.9% | 0.30 | (1.5%) | 3.26 |
| AC & C Hospitality Resorts LLP (from 30 January 2025) | 1.2% | 38.12 | (0.8%) | 1.66 | 0.3% | 0.01 | (0.8%) | 1.67 |
| **Joint Venture** | | | | | | | | |
| Coffee Day Schaerer Technologies Private Limited | 0.1% | 3.16 | (1.5%) | 3.16 | 0.0% | - | (1.5%) | 3.16 |
| ***Non-controlling Interest*** | | | | | | | | |
| Coffee Day Global Limited* | 6.4% | 201.55 | (3.3%) | 6.97 | (24.9%) | (1.09) | (2.7%) | 5.87 |
| Coffee Day Trading Limited | 4.1% | 129.60 | 0.2% | (0.32) | 0.8% | 0.03 | 0.1% | (0.29) |
| Tanglin Development Limited | 1.0% | 31.05 | -0.2% | 0.43 | 16.6% | 0.73 | -0.5% | 1.16 |
| **Total** | **100%** | **3,156.30** | **(100.0%)** | **210.14** | **100.0%** | **4.39** | **(100.0%)** | **214.52** |
| Attributable to: Owners of the Group | 88.5% | 2,794.09 | (96.6%) | 203.07 | 107.4% | 4.71 | (96.9%) | 207.79 |
| Attributable to: Non-controlling interests | 11.5% | 362.21 | (3.4%) | 7.07 | -7.4% | (0.33) | (3.1%) | 6.73 |

* 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.

**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 | Principal activities | Ownership interest held by the group (%) | | Ownership interest held by non controlling interest (%) | |
|---|---|---|---|---|---|---|---|
| | | | | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| Coffee Day Global Limited (Refer note 59) | India | Integrated coffee business | Integrated coffee business | 51.71% | 51.71% | 48.29% | 48.29% |
| Coffee Day Trading Limited | India | Investments in IT/ITeS | Investments in IT/ITeS | 88.77% | 88.77% | 11.23% | 11.23% |
| Tanglin Development Limited (Refer note 59) | India | Development of Tech Parks / SEZs | Development of Tech Parks / SEZs | 87.12% | 87.12% | 12.88% | 12.88% |
| Tanglin Retail Reality Developments Private Limited | India | Property developers | Property developers | 100.00% | 100.00% | 0.00% | 0.00% |
| Girividyuth India Limited | India | Power generation | Power generation | 100.00% | 100.00% | 0.00% | 0.00% |
| Coffee Day Hotels And Resorts Private Limited | India | Operation of holiday resorts | Operation of holiday resorts | 100.00% | 100.00% | 0.00% | 0.00% |
| Wilderness Resorts Private Limited | India | Operation of holiday resorts | Operation of holiday resorts | 100.00% | 100.00% | 0.00% | 0.00% |
| Karnataka Wildlife Resorts Private Limited | India | Operation of holiday resorts | Operation of holiday resorts | 100.00% | 100.00% | 0.00% | 0.00% |
| Coffee Day Kabini Resorts Limited | India | Operation of holiday resorts | Operation of holiday resorts | 100.00% | 100.00% | 0.00% | 0.00% |

**(b) Summarized financial information of the material subsidiaries before inter company eliminations:**

| Summarised balance sheet | Coffee Day Global Limited | | Tanglin Developments Limited | | Coffee Day Trading Limited | |
|---|---|---|---|---|---|---|
| | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| Current assets | 1,107.71 | 1,120.08 | 2,179.31 | 2,472.85 | 1,370.59 | 1,370.72 |
| Non-current assets | 693.68 | 860.71 | 349.84 | 343.30 | 8.64 | 8.64 |
| Current liabilities | 936.85 | 1,125.56 | 1,610.14 | 1,907.25 | 146.98 | 141.27 |
| Non-current liabilities | 403.64 | 402.35 | 3.12 | 2.17 | - | - |
| Accumulated balance of NCI | 201.55 | 195.68 | 31.05 | 29.89 | 129.60 | 129.89 |

| Summarised statement of profit and loss | Coffee Day Global Limited | | Tanglin Developments Limited | | Coffee Day Trading Limited | |
|---|---|---|---|---|---|---|
| | For the year ended 31 March 2026 | For the year ended 31 March 2025 | For the year ended 31 March 2026 | For the year ended 31 March 2025 | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
| Revenue | 1,093.93 | 1,034.63 | - | - | - | - |
| Profit/(loss) for the year | 14.43 | (175.93) | 3.50 | 2.25 | (5.83) | (16.99) |
| Other comprehensive income | (2.27) | 0.20 | 5.66 | 3.67 | - | - |
| **Total comprehensive income** | **12.16** | **(175.73)** | **9.16** | **5.92** | **(5.83)** | **(16.99)** |
| Total comprehensive income allocated to NCI | 5.87 | (84.86) | 1.16 | 0.73 | (0.29) | (2.51) |

**54 Interest in other entities (continued)**

**(b) Summarized financial information of the material subsidiaries before inter company eliminations: (continued)**

| Summarised cash flows | Coffee Day Global Limited | | Tanglin Developments Limited | | Coffee Day Trading Limited | |
|---|---|---|---|---|---|---|
| | For the year ended 31 March 2026 | For the year ended 31 March 2025 | For the year ended 31 March 2026 | For the year ended 31 March 2025 | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
| Cash flow from operating activities | 206.19 | 162.88 | 61.28 | 8.00 | (0.12) | (0.04) |
| Cash flow from investing activities | (35.78) | (29.68) | 206.86 | 7.16 | 0.12 | 0.04 |
| Cash flow from financing activities | (161.97) | (140.06) | (297.25) | 11.32 | - | - |
| **Net increase/ (decrease) in cash and cash equivalents** | **8.44** | **(6.86)** | **(29.11)** | **26.48** | **(0.00)** | **(0.00)** |

**54 Interest in other entities (continued)**

**(ii) Associates and joint ventures**

(a) The associates and joint ventures of the Group as at 31 March 2025 which in the opinion of the directors, are material to the Group are listed below:

| Name of the entity | Principal activities | Country of incorporation | % of ownership interest | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|---|---|---|
| | | | | Carrying amount (Gross off of provision) | Carrying amount (Gross off of provision) |
| Magnasoft Consulting India Private Limited | Geospatial services | India | 47.07% | 16.87 | 13.61 |
| Barefoot Resorts and Leisure India Private Limited | Resorts | India | 27.69% | 15.65 | 15.59 |
| AC & C Hospitality Resorts LLP(from 30 January 2025) | Resorts | India | 49.89% | 38.12 | 36.45 |
| | | | | As at 31 March 2026 | As at 31 March 2025 |
| Other immaterial joint ventures | | India | India | 10.69 | 7.54 |

**(b) Summarised financial information about the joint venture or associate:**

| Summarised balance sheet | AC & C Hospitality Resorts LLP | | Magnasoft Consulting India Private Limited | | Barefoot Resorts and Leisure India Private Limited | |
|---|---|---|---|---|---|---|
| | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| **Current assets** | | | | | | |
| - Cash and cash equivalents | 17.01 | 12.47 | 2.57 | 6.31 | 2.22 | 1.79 |
| - Other current assets | 0.84 | 0.70 | 36.73 | 29.78 | 6.08 | 7.19 |
| **Total** | **17.84** | **13.17** | **39.29** | **36.09** | **8.30** | **8.98** |
| **Non-current assets** | 62.54 | 63.37 | 7.68 | 4.24 | 41.12 | 30.81 |
| **Current liabilities** | | | | | | |
| - Financial liabilities (excluding trade payables) | 0.27 | 0.26 | 2.96 | 3.51 | - | 0.16 |
| - Trade payables | 0.41 | 0.82 | 1.62 | 2.19 | 0.95 | 0.95 |
| - Provisions | 0.57 | 0.01 | 3.65 | 3.22 | 0.48 | 0.30 |
| - Other current liabilities | 0.60 | 1.27 | 1.47 | 1.23 | 3.28 | 3.95 |
| **Total** | **1.85** | **2.36** | **9.70** | **10.15** | **4.72** | **5.37** |
| **Non-current liabilities** | | | | | | |
| - Financial liabilities (excluding trade payables) | | - | 0.92 | 0.18 | 1.53 | 5.22 |
| - Provisions | 0.637 | 0.48 | - | 0.49 | 1.27 | 1.32 |
| - Other non-current liabilities | 1.37 | 0.53 | 0.00 | | - | - |
| **Total** | **2.00** | **1.01** | **0.92** | **0.67** | **2.79** | **6.54** |
| **Net assets** | **76.52** | **73.17** | **36.35** | **29.51** | **41.90** | **27.88** |

**54 Interest in other entities (continued)**

**(b) Summarised financial information about the joint venture or associate: (continued)**

**Reconciliation to carrying amount:**

| Summarised balance sheet | AC & C Hospitality Resorts LLP | | Magnasoft Consulting India Private Limited | | Barefoot Resorts and Leisure India Private Limited | |
|---|---|---|---|---|---|---|
| | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| Opening net assets | 73.17 | 75.57 | 29.51 | 39.76 | 27.88 | 26.21 |
| Profit for the year | 3.33 | (2.30) | 6.29 | (10.74) | 0.21 | 1.66 |
| Other comprehensive income | 0.022 | (0.10) | 0.65 | (0.53) | 0.01 | - |
| Changes in other equity | (0.00) | | (0.09) | 1.02 | 13.80 | 0.01 |
| **Closing net assets** | **76.52** | **73.17** | **36.35** | **29.51** | **41.90** | **27.88** |
| Group's share in % | 49.89% | 49.89% | 47.07% | 47.52% | 27.69% | 27.69% |
| Group's share in INR | 38.18 | 36.50 | 17.11 | 14.02 | 11.60 | 7.72 |
| Other reconciling items | (0.05) | (0.05) | (0.24) | (0.42) | 4.05 | 7.87 |
| **Carrying amount** | **38.12** | **36.45** | **16.87** | **13.61** | **15.65** | **15.59** |

| Summarised statement of profit and loss | AC & C Hospitality Resorts LLP | | Magnasoft Consulting India Private Limited | | Barefoot Resorts and Leisure India Private Limited | |
|---|---|---|---|---|---|---|
| | For the year ended 31 March 2026 | For the period 30 January 2025 to 31 March 2025 | For the year ended 31 March 2026 | For the year ended 31 March 2025 | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
| Revenue | 27.21 | 4.17 | 68.29 | 66.99 | 27.72 | 29.38 |
| Depreciation and amortization | 1.63 | 0.44 | 1.66 | 1.92 | 0.88 | 0.85 |
| Finance costs | 0.24 | 0.02 | 0.25 | 0.19 | 0.04 | 0.13 |
| Tax expense | 2.03 | 0.91 | 0.37 | 6.80 | (0.01) | - |
| Profit for the year | 3.33 | (2.30) | 6.29 | (10.74) | 0.21 | 1.66 |
| Other comprehensive income | 0.02 | (0.10) | 0.65 | (0.53) | 0.01 | - |
| Total comprehensive income | 3.35 | (2.40) | 6.94 | (11.27) | 0.22 | 1.66 |

**(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.

| Particulars | Joint venture | |
|---|---|---|
| | As at 31 March 2026 | As at 31 March 2025 |
| Carrying amount of interests in all individually immaterial associates/ joint ventures | 10.69 | 7.54 |
| Aggregate amount of Group's share of: | | |
| - profit or loss from continuing operations. | 3.16 | - |
| - other comprehensive income | - | - |
| **Total comprehensive income** | **3.16** | **-** |

**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.

*₹ in crores*

| As at 31 March 2026 | Carrying amount | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|
| **Particulars** | **FVTPL** | **FVOCI** | **Amortised cost** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Financial assets:** | | | | | | | | |
| - Non-current investments | - | 20.12 | - | 20.12 | 0.01 | - | 20.11 | 20.12 |
| - Non-current loans | - | - | 0.30 | 0.30 | - | - | - | - |
| - Other non-current financial assets | - | - | 34.97 | 34.97 | - | - | - | - |
| - Current investments | - | - | - | - | - | - | - | - |
| - Trade receivables | - | - | 59.47 | 59.47 | - | - | - | - |
| - Cash and cash equivalents | - | - | 25.60 | 25.60 | - | - | - | - |
| - Bank balances other than cash and cash equivalents | - | - | 0.87 | 0.87 | - | - | - | - |
| - Current loans | - | - | 2,290.95 | 2,290.95 | | | | |
| - Other current financial assets | - | - | 992.60 | 992.60 | - | - | - | - |
| **Total** | **-** | **20.12** | **3,404.76** | **3,424.88** | **0.01** | **-** | **20.11** | **20.12** |
| **Financial liabilities:** | | | | | | | | |
| - Non-current borrowings (including current maturities) | | | | | | | | |
| Fixed rate instruments | - | - | 578.73 | 578.73 | - | 578.73 | - | 578.73 |
| Variable rate instruments | - | - | - | - | - | - | - | - |
| -Non-current lease liabilities | - | - | 189.88 | 189.88 | - | - | - | - |
| - Other non-current financial liabilities | | | - | - | - | - | - | - |
| - Current borrowings | | | | | | | | |
| Fixed rate instruments | - | - | - | - | - | - | - | - |
| Variable rate instruments | - | - | - | - | - | - | - | - |
| -Current lease liabilities | - | - | 58.16 | 58.16 | - | - | - | - |
| - Trade payables | - | - | 47.83 | 47.83 | - | - | - | - |
| - Other current financial liabilities (excluding current maturities) | - | - | 297.22 | 297.22 | - | - | - | - |
| **Total** | **-** | **-** | **1,171.81** | **1,171.81** | **-** | **578.73** | **-** | **578.73** |

| As at 31 March 2025 | Carrying amount | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|
| **Particulars** | **FVTPL** | **FVOCI** | **Amortised cost** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Financial assets:** | | | | | | | | |
| - Non-current investments | - | 13.54 | - | 13.54 | 0.01 | - | 13.53 | 13.54 |
| - Non-current loans | - | - | 0.30 | 0.30 | - | - | - | - |
| - Other non-current financial assets | - | - | 71.30 | 71.30 | - | - | - | - |
| - Current investments | - | - | - | - | - | - | - | - |
| - Trade receivables | - | - | 61.86 | 61.86 | - | - | - | - |
| - Cash and cash equivalents | - | - | 46.59 | 46.59 | - | - | - | - |
| - Bank balances other than cash and cash equivalents | - | - | 196.99 | 196.99 | - | - | - | - |
| - Current loans | - | - | 2,291.20 | 2,291.20 | | | | |
| - Other current financial assets | - | - | 1,007.77 | 1,007.77 | - | - | - | - |
| **Total** | **-** | **13.54** | **3,676.02** | **3,689.56** | **0.01** | **-** | **13.53** | **13.54** |

| As at 31 March 2025 | Carrying amount | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|
| **Particulars** | **FVTPL** | **FVOCI** | **Amortised cost** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Financial liabilities:** | | | | | | | | |
| - Non-current borrowings (including current maturities) | | | | | | | | |
| Fixed rate instruments | - | - | 1,016.47 | 1,016.47 | - | 1,016.47 | - | 1,016.47 |
| Variable rate instruments | - | - | 108.78 | 108.78 | - | - | - | - |
| -Non-current lease liabilities | - | - | 197.39 | 197.39 | - | - | - | - |
| - Other non-current financial liabilities | | | - | - | - | - | - | - |
| - Current borrowings | | | | | | | | |
| Fixed rate instruments | - | - | - | - | - | - | - | - |
| Variable rate instruments | - | - | - | - | - | - | - | - |
| -Current lease liabilities | - | - | 50.75 | 50.75 | - | - | - | - |
| - Trade payables | - | - | 64.34 | 64.34 | - | - | - | - |
| - Other current financial liabilities (excluding current maturities) | - | - | 348.39 | 348.39 | - | - | - | - |
| **Total** | **-** | **-** | **1,786.12** | **1,786.12** | **-** | **1,016.47** | **-** | **1,016.47** |

**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.

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, lease liabilities, 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 judgment 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.

**55 Financial instruments - fair value measurement (continued)**

**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 | Investments | Quoted market prices of the respective investments. | Not applicable | Not applicable |
| 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 counterparty; 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.

**55 Financial instruments - fair value measurement (continued)**

**(ii) Credit risk (continued)**

***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 2026 and 31 March 2025:***

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 judgment.

The following table provides information about the exposure to credit risk and the expected credit loss for trade receivables:

*₹ in crores*

| | As at 31 March 2026 | | As at 31 March 2025 | |
|---|---|---|---|---|
| | Carrying amount | Provision amount | Carrying amount | Provision amount |
| Secured, considered good | - | - | - | - |
| Unsecured, considered good | 59.47 | - | 61.86 | - |
| Credit impaired | 42.60 | 42.60 | 80.23 | 80.23 |
| | **102.07** | **42.60** | **142.09** | **80.23** |

The gross carrying amount of trade receivables is ₹ 102.07 crores as at 31 March 2026 (31 March 2025: ₹ 142.09 crores)

***Loans and other financial asset:***

Expected credit loss for loans and other financial asset is as follows:

*₹ in crores*

| 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-26 | Security deposits | 32.23 | 12.1% | 3.90 | 28.33 |
| | | | Other financial asset | 999.83 | 0.1% | 0.59 | 999.24 |
| | | | Loans | 2,540.86 | 9.8% | 249.61 | 2,291.25 |
| Loss allowance measured at 12 month expected credit loss | Financial assets for which credit risk has not increased significantly since initial recognition | 31-Mar-25 | Security deposits | 47.11 | 42.2% | 19.89 | 27.21 |
| | | | Other financial asset | 1,053.22 | 0.1% | 1.36 | 1,051.86 |
| | | | Loans | 2,541.11 | 9.8% | 249.61 | 2,291.50 |

***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:** *₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Loss allowance in the beginning of the year | 80.23 | 79.40 |
| Excess provision written back | (37.59) | - |
| Allowance for expected credit loss | 0.04 | 0.83 |
| **Loss allowance at the end of the year** | **42.60** | **80.23** |

**55 Financial instruments - fair value measurement (continued)**

**(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.

**55 Financial instruments - fair value measurement (continued)**

**(iii) Liquidity risk(continued)**

**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.

*₹ in crores*

| As at 31 March 2026 | Carrying amount | Total | Less than 1 year | 1-2 years | 2-5 years | More than 5 years |
|---|---|---|---|---|---|---|
| **Non-derivative financial liabilities** | | | | | | |
| - Non-current borrowings (including current maturities) | 578.73 | 578.73 | 373.72 | 16.52 | 81.95 | 106.54 |
| - Current borrowings | - | - | - | - | - | - |
| -Lease liabilities | 248.03 | 245.64 | 58.01 | 13.40 | 134.14 | 40.09 |
| - Trade payables | 47.83 | 47.83 | 28.92 | 0.20 | 0.08 | 18.63 |
| - Other financial liabilities (current and non-current excluding current maturities) | 1,016.47 | 1,016.47 | 1,016.47 | - | - | - |
| | **1,891.06** | **1,888.68** | **1,477.13** | **30.12** | **216.17** | **165.26** |

*₹ in crores*

| As at 31 March 2025 | Carrying amount | Total | Less than 1 year | 1-2 years | 2-5 years | More than 5 years |
|---|---|---|---|---|---|---|
| **Non-derivative financial liabilities** | | | | | | |
| - Non-current borrowings (including current maturities) | 1,016.47 | 1,118.04 | 1,016.47 | 25.64 | - | 75.93 |
| - Current borrowings | - | - | - | - | - | - |
| -Lease liabilities | 248.14 | 248.14 | 52.90 | 35.50 | 102.29 | 57.44 |
| - Trade payables | 64.34 | 64.34 | 32.35 | 0.13 | 17.25 | 14.61 |
| - Other financial liabilities (current and non-current excluding current maturities) | 348.39 | 348.39 | 348.39 | - | - | - |
| | **1,677.34** | **1,778.91** | **1,450.12** | **61.28** | **119.54** | **147.98** |

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.

**(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.

**55 Financial instruments - fair value measurement (continued)**

**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:

***₹ in crores***

| Particulars | Foreign Currency Amount | |
|---|---|---|
| | As at 31 March 2026 | As at 31 March 2025 |
| **Financial assets** | | |
| Trade receivables | 0.09 | |
| EURO | - | - |
| USD | - | - |
| **Financial liabilities** | | |
| Trade payables | | |
| USD | - | - |
| EURO | - | - |
| Bank loan | | |
| USD | - | - |
| EURO | - | - |
| Other current liabilities | | |
| USD | - | - |
| EURO | - | - |
| **Net statement of financial position exposure** | **0.09** | **-** |
| Less: Forward exchange contracts (USD) | | |
| **Net exposure** | **0.09** | **-** |

The following significant exchange rates have been applied:

| | Year-end spot rate | |
|---|---|---|
| **INR** | **31 March 2026** | **31 March 2025** |
| EURO | 108.05 | 93.01 |
| USD | 93.48 | 86.2 |

**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.

***₹ in crores***

| Particulars | Percentage movement | Profit or loss | |
|---|---|---|---|
| | | Strengthening | Weakening |
| **31 March 2026** | | | |
| EURO | 16% | 0.01 | (0.01) |
| USD | 8% | - | - |
| **31 March 2025** | | | |
| EURO | 3% | - | - |
| USD | 3% | - | - |

***Commodity price risk***

The Company 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 Company'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, the Company hedges the price using forward commodity contracts. The company is not exposed to any commodity risk as at 31 March 2026 and 31 March 2025.

**55 Financial instruments - fair value measurement (continued)**

***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

**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 :

*₹ in crores*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Fixed rate instruments:** | | |
| Financial assets | 18.62 | 242.99 |
| Financial borrowings | (578.73) | (1,016.47) |
| **Fixed rate instruments exposed to interest rate risks** | **(560.11)** | **(773.48)** |
| **Variable rate instruments:** | | |
| Financial borrowings | - | (108.78) |
| **Variable rate instruments exposed to interest rate risks** | **-** | **(108.78)** |

**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.

*₹ in crores*

| Particulars | Profit or loss | |
|---|---|---|
| | 1% increase | 1% decrease |
| **31 March 2026** | | |
| Variable rate instruments | - | - |
| **31 March 2025** | | |
| Variable rate instruments | (1.09) | 1.09 |

***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.

**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 :

*₹ in crores*

| Particulars | As at 31 March 2025 | As at 31 March 2025 |
|---|---|---|
| *Quoted investments:* | | |
| Fair value through profit and loss | - | - |
| Fair value through other comprehensive income | 0.01 | 0.01 |
| Measured at amortised cost | - | - |

**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%.

| Particulars | Impact on profit or loss | | Impact on other comprehensive income | | Impact on equity, net of tax | |
|---|---|---|---|---|---|---|
| | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| Market price increases by 2% | - | - | 0.00 | - | - | 0.00 |
| Market price decreases by 2% | - | - | (0.00) | - | - | (0.00) |

**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 2026 was as follows:

*₹ in crores*

| **Particulars** | **As at 31 March 2026** | **As at 31 March 2025** |
|---|---|---|
| Total borrowings | 578.73 | 1,125.25 |
| Less: cash and cash equivalents including deposits | 41.21 | 289.58 |
| **Adjusted net debt** | **537.52** | **835.66** |
| | | |
| Total equity | 3,156.30 | 2,945.92 |
| **Equity** | **3,156.30** | **2,945.92** |
| | | |
| **Adjusted net debt to equity ratio** | **0.17** | **0.28** |

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 certain defaults in repayments of principal and interest of the loans and certain lenders have exercised their rights including recall the loans.

**57** These consolidated financial statements for the year ended 31 March 2026 have been prepared on a going concern basis in view of the positive net worth of the Group amounting to ₹ 3,156 crores as of 31 March 2026.

**58** Coffee Day Global Limited (Subsidiary) during the year, an exceptional item of Rs 43.49 Crores is towards Profit/Loss on One Time Settlement (OTS) with lender, Cancellation of Lease Deed for 10 Acres of Land at Chikkamagaluru and Sale of 5 Acre land at Chikkamagaluru. gain due to Liquidation of Foreign Subsidiaries and subsquent deconsolidation from Books

**59** Change in the percentage of shares held by the Company in its two subsidiaries viz M/s TDL & M/s CDGL as of March 31, 2025 due to invocation of shares pledged to the lenders. The lenders have not made any adjustments to the loan outstanding as the lenders have not realised any amount on invocation of these shares. Since the shares are not listed it is not possible to attribute any value to the invoked shares.

The company has recognised invocation in compliance with IND AS and made adjustments to respective Non controlling interest in subsidiaries.

During the year ended 31 March 2026, the lender who invoked CDGL shares, has realized proceeds from the sale of CDGL shares that were pledged and invoked in a earlier years. These proceeds, amounting to ₹ 16.4 crores, were adjusted against the outstanding loan of subsidiary Coffee Day Hotels and Resorts Private Limited where the security pledged and have been recognized as an exceptional item in the Statement of Profit and Loss.

**60 Debt Resolution Process**

The Board of Coffee Day Global Limited(subsidiary) in its meeting held on February 11th, 2023, decided to initiate a debt resolution process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.

As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 24-Mar 26 @8.50% and the same is paid. The plan is awaiting required approval/Execution.

During the Financial year, the lenders have confirmed "that the rate of interest agreed and applicable is 8.5% p.a. or applicable rates as per the terms of In principally agreed restructuring package and that that there are no arrears of interest dues in respect of the loans"

An amount of ₹ 41.67 crores which has devolved on the Company pursuant to invoking of guarantees by lenders of Group Companies has been factored in the Proposed Restructuring plan and the same will be given effect to in the books of accounts on approval of the proposed restructuring plan by the lenders.

**61** Some of the subsidiaries have not received balance confirmation in respect of certain lenders. Management of the subsidiaries are making an efforts to get the balance confirmations from the lenders.

**62** On 30 January 2025, Coffee Day Hotels and Resorts Private Limited (CDHRPL) (Wholly owned subsidiary of the Company) entered into Amended and Restated Limited Liability Partnership Agreement of AC & C Hospitality Resort LLP (AC&C) (Wholly Owned Subsidiary (LLP) of CDHRPL, with Chaitra Civil Ventures LLP(CCV) (Retiring Partner) and Ammolite Properties Private Limited (APPL) (new partner) in/of AC&C Hospitality Resorts LLP). The APPL was invested Rupees 34.14 crores in AC &C, post the investment and transfer of PSR from CCV, APPL holds Profit Sharing Ratio of 50.10% in AC&C Hospitality Resorts LLP(AC&C).

The gain on loss of control on AC & C Hospitality Resorts LLP Rs 58.89 crores accounted as exceptional item.

**63** During the year ended 31 March 2025, Tanglin Developments Limited(subsidiary) has paid Rs.11 crores for its corporate guarantee liability as full and final settlement to JCF ARC Private Limited the lender of Sical Logistics Limited and JCF ARC Private Limited has released the corporated guarantee of Tanglin Developments Limited towards Sical Logistics limited borrowing. Sical Logistics Limited's resolution process is completed and no amount is recoverable and same is shown as expense under exceptional items.

*(This space is intentionally left blank)*

**64** Details of Financial ratios as follows

| Ratio | Numerator | Denominator | For the year ended | | | Reason |
|---|---|---|---|---|---|---|
| | | | 31-Mar-26 | 31-Mar-25 | % Change | |
| Current Ratio | Current assets | Current liabilities | 3.53 | 2.31 | 52.42% | Imporoved due to loan repayments |
| Debt-Equity Ratio | Total Debt | Total Equity | 0.26 | 0.47 | -43.81% | Imporoved due to loan repayments |
| Debt Service Coverage Ratio | Earnings available for debt service | Debt Service | 0.51 | 1.05 | -51.66% | Decreased due to loan repayments during the year |
| Return on Equity Ratio % | Net Profits after taxes | Average Shareholder's Equity | 6.89% | -4.71% | -246.11% | Improved mainly due to one time gains on loan settlements |
| Inventory turnover ratio | Cost of goods sold OR sales | Average Inventory (excluding spares) | 20.46 | 20.92 | -2.22% | |
| Trade Receivables turnover ratio | Gross sales | Average Accounts Receivable(gross ECL) | 9.75 | 8.36 | 16.54% | |
| Trade payables turnover ratio | Purchases | Average Trade Payables | 9.96 | 8.14 | 22.38% | Due to increase in purchase cost. |
| Net capital turnover ratio | Revenue from operations | Working Capital | 0.46 | 0.52 | -12.10% | |
| Net profit ratio % | Net Profit after tax | Revenue from operations | 18.83% | -13.29% | 32.12% | Improved mainly due to one time gains on loan settlements |
| Return on Capital employed % | Earning before interest and taxes | Capital Employed | 5.25% | -3.33% | 8.58% | |
| Return on investment % | Income Generated from Investments | Time weighted average investments | 0.00% | 0.00% | 0.00% | |

*(This space is intentionally left blank)*

**Additional Regulatory Information Required under Division II to Schedule III of the Companies Act 2013**

| Sl.No | Disclosure requirement as per Amended Schedule III | Remarks for Non Disclosure (If any) |
|---|---|---|
| 1 | Revaluation of Property , Plant & Equipment | The Group has not revalued Property, Plant & Equipment, Hence disclosure under this clause is not applicable |
| 2 | Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties | Refer Note No 18 |
| 3 | Capital-Work-in Progress (CWIP) | Refer Note No 4 |
| 4 | Intangible assets under development | Refer Note No.5 |
| 5 | Details of Benami Property held | The Group has no Benami Property |
| 6 | Borrowings from banks or financial institutions on the basis of security of current assets | Refer note 23A |
| 7 | Wilful Defaulter | The Group has not been declared as wilful defaulter by any bank or financial Institution or other lender,Hence disclosure under this clause is not applicable |
| 8 | Relationship with Struck off Companies | The Group has no Transactions with Struck off Companies |
| 9 | Compliance with number of layers of companies | The Group has complied with the no of layers of companies as per Companies Act, 2013 |
| 10 | Compliance with approved Scheme(s) of Arrangements | The Group has no Scheme of Amalgamations approved or pending for approval by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013. |
| 11 | Utilisation of Borrowed funds and share premium | (a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested from borrowed funds or share premium or any other sources or kind of funds by the Company or its subsidiaries to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;<br><br>(b) No funds (which are material either individually or in the aggregate) have been received by the Company or its subsidiaries from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or its subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; |
| 12 | Undisclosed income | Nil |
| 13 | Details of Crypto Currency or Virtual Currency | The Group has not Traded or invested in crypto currency or virtual currency, Hence disclosure under this clause is not applicable |

**65** SEBI issued an order dated 24 January 2023 directing CDEL in the matter of transfer of funds by Subsidiaries of the Company to Mysore Amalgamated Coffee Estates Limited to take all the necessary steps for recovery of entire dues from MACEL and its related entities along with due interest, that are outstanding to the subsidiaries of CDEL. Further, SEBI has directed the Company to appoint an Independent Law firm in consultation with NSE within 60 days of this order, to take effective steps for recovery of dues and imposed a penalty of ₹ 25 Crores under section 15HA and ₹ 1 crore under section 15HB of the SEBI Act, 1992.
Thereafter, the company appealed the above order dated 24 January 2023 to the Hon'ble Securities Appellate Tribunal (SAT). However, the SAT granted stay on imposition of penalty.
As per the instructions of NSE the Company appointed Independent Law Firm Crest Law on 3rd April 2023 to take effective steps for recovery of dues from MACEL.Company has initiated arbitration proceedings against MACEL as suggested by Crest Law in consultation with NSE. In this regard the subsidiaries of the company has filed claim statement as part of arbitration proceedings.

Under the above circumstances, no provision is made in the books of accounts against the amount receivable from MACEL.
As on 31 March 2026 the amount due by MACEL to various subsidiaries and joint venture of the company amounts ₹ 3,357.13 crores.

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

As per our report of even date attached

*for* **Venkatesh & Co**
Chartered Accountants
Firm registration number: 004636S

*-Sd-*
**CA Hrishikesh D**
*Partner*
Membership no.: 272865
Place: Bangalore
Date: 27 May 2026

UDIN: 26272865NZWZGL5897

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

*-Sd-*
**Malavika Hegde**
*CEO & Whole-time Director*
DIN: 00136524

*-Sd-*
**Dr. I.R Ravish**
*Director*
DIN: 09180669

*-Sd-*
**R. Ram Mohan**
*Chief Financial Officer*
M.No.019290
Place: Bangalore
Date: 27 May 2026

*-Sd-*
**Sadananda Poojary**
*Company Secretary*
M.No.5223
Place: Bangalore
Date: 27 May 2026

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - *(Consolidated)***

**Statement on Impact of Audit Qualifications for the Financial Year ended 31st March 2026** [*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

PRE-AMBLE:

The Coffee Day Enterprises Limited (the holding company) has a revenue of only Rs.19.77 crores out of the groups' revenue of Rs. 1,115.75 crores. Each subsidiary has got its own- independent Board of Directors, and professionals for various functions such as Finance, Operations, Marketing etc. They are responsible and accountable for the subsidiary which manages the respective businesses. There are 17 subsidiaries (including step down subsidiaries) taking care of different businesses.

The Board of Directors, Audit Committee, Key Management Professionals and other professionals of Coffee Day Enterprises Limited are responsible for the operations of Coffee Day Enterprises Limited alone (standalone entity) and consolidate Subsidiary data and notes based on approvals of the respective board of directors of each subsidiary for consolidating the accounts and in preparation of various responses including the Statement on impact of Audit Qualifications (the current document). To reiterate the views and opinions of Board of Directors of Subsidiary companies are final and binding on Holding Company (CDEL) in all matters.

*(Amount in INR crores)*

| **I.** | **Sl. No.** | **Particulars** | **Audited Figures (as reported before adjusting for qualifications)** | **Adjusted Figures (audited figures after adjusting for qualifications)** |
|---|---|---|---|---|
| | 1. | Turnover / Total income | 1,154.40 | |
| | 2. | Total Expenditure | 1,201.99 | |
| | 3. | Net Profit/(Loss) | 210.14 | |
| | 4. | Earnings Per Share (Attributable to owners of the company) | 9.61 | Not ascertainable |
| | 5. | Total Assets | 4,537.73 | |
| | 6. | Total Liabilities | 1,381.43 | |

| | | | | |
|---|---|---|---|---|
| | 7. | Net Worth | 3,156.30 | |
| | 8. | Any other financial item(s) (as felt appropriate by the management) | NA | |
| II | **Audit Qualification (each audit qualification separately):** | | | |

**A. Dues from related parties**

1. Details of Audit Qualification:

Attention is drawn to Note 5 of this statement wherein a final adjudication order dated 24.01.2023 has been served on the company under section 11 (11(4), 11(4A), 11B and 11B ( of the Securities and Exchange Board of India Act, 1992 read with Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 by SEBI imposed with a total monetary penalty of Rs.26,00,00,000 (Rupees Twenty-Six Crore) under Section 15HA and Section 15HB of the SEBI Act, 1992 respectively on account of violations of provisions of Section 12A(a), (b) & (c) of the SEBI Act, 1992 read with Regulations 3(b), (c) & (d) and 4(1) of the PFUTP Regulations as stated in Para 59 and 60 of its order relating to the advances to MACEL by the subsidiaries of the Company.

The company appealed against the above order dated 24th January 2023 to the Hon'ble Securities Appellate Tribunal (SAT) which granted stay on the imposition of penalty.

Further, the Company has initiated arbitration proceedings against MACEL as suggested by Crest Law in consultation with NSE. In this regard the subsidiaries of the company have filed claim statement as part of arbitration proceedings.

No provision is made in the books of accounts against the amount receivable from MACEL. In the absence of any conclusive evidence demonstrated by the company for recoverability of the same, we are unable to comment on the recoverability, requirement or otherwise of provision on those receivables and consequential impact on these financial statements.

Further, we have in respect of 3 subsidiaries and 2 step-down subsidiaries, based on our review, have issued a disclaimer of conclusion due to the possible impact of the recoverability of dues from MACEL. Hence, we are unable to comment on the recoverability of amount due from MACEL amounting to Rs.3,357.13 Crores to the group as a whole.

Similarly in the case of one other subsidiary, the other auditor has issued a disclaimer of conclusion due to the possible impact of the recoverability of dues from MACEL.

2. Type of Audit Qualification: Disclaimer of Opinion

3. Frequency of qualification: Seventh time

| |
|---|
| 4. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not ascertainable since it's a disclaimer of opinion |
| 5. For Audit Qualification(s) where the impact is not quantified by the auditor: |
| i. Management's estimation on the impact of audit qualification: Not ascertainable |
| ii. If management is unable to estimate the impact, reasons for the same:<br>The company appealed the above order dated 24th January 2023 to the Hon'ble Securities Appellate Tribunal (SAT). However, the SAT granted stay on imposition of penalty.<br>As per the instructions of NSE the Company appointed Independent Law Firm Crest Law on 3rd April 2023 to take effective steps for recovery of dues from MACEL.<br>Subsidiaries of the company has initiated arbitration proceedings against MACEL. In this regard the subsidiaries of the company has filed claim statement as part of arbitration proceedings.<br>Under the above circumstances, no provision is made in the books of accounts against the amount receivable from MACEL.<br>As on 31 March 2026 the amount due by MACEL to various subsidiaries and joint venture of the company amounts Rs.3,357.13 crores. |
| iii. Auditors' Comments on (i) or (ii) above: As we have not been provided with the details of consequential actions, if any, we are unable to ascertain the impact of the same on the consolidated financial statements of the Group. |
| |
| **B. Default in debt and breach in debt covenants, Non -Compliance with debt covenants and No Confirmation of Balance for Borrowings**<br>1. Details of Audit Qualification:<br>In respect of the Holding Company and some of the subsidiaries, there are instances of non-compliance with certain debt covenants including interest & principal repayment defaults have been described. We also draw attention to the fact that the Holding Company has not obtained the balance confirmations on loans from two lenders amounting to Rs. 76.98 crores. We have been informed that during the previous years, certain lenders have exercised their right to recall the loan (refer Note 6, Note 8, Note 9, Note 10 and Note 13 of the Statement). In the absence of adequate and sufficient audit evidence to establish the amounts payable to the lenders, we are unable to provide our opinion on the correctness of these amounts reflected in the consolidated financial results and also on their consequential impact including compliance with accrual concept of accounting and potential tax liabilities. |
| 2. Type of Audit Qualification: Disclaimer of Opinion |

3. Frequency of qualification: Seventh time

4. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not ascertainable since it's a disclaimer of conclusion

5. For Audit Qualification(s) where the impact is not quantified by the auditor:

i. Management's estimation on the impact of audit qualification: Not ascertainable

ii. If management is unable to estimate the impact, reasons for the same:

Management is following up with lenders to get the balance confirmations. This will be taken care of during one time settlement process.

iii. Auditors' Comments on (i) or (ii) above: As we have not been provided with the details of consequential actions, if any, taken by the lenders to the Group, we are unable to ascertain the impact of the same on the consolidated financial statements of the Group.

**C. Loans and Borrowings**

1. Details of Audit Qualification:

We have highlighted in one subsidiary that the Company is currently undergoing a corporate restructuring process with its lenders, as detailed in Note No.9 of the Consolidated Financial Results. This restructuring involves realigning the company's debt and interest obligations in accordance with the proposed plan, which remains pending for necessary approvals. The company has not recognized the impact of exchange fluctuation difference for the External commercial borrowings from one lender who are also a part of the proposed restructuring plan. The conversion of the foreign currency loan into rupee loans as well as applicable interest rate of 8.50% is subject to the necessary approval of the Reserve Bank of India. Pending final execution of the restructuring plan and pending necessary approvals from the RBI for the conversion of foreign currency loan,we are unable to comment on the completeness of the loan balances and its impact in these consolidated financial results.

2. Type of Audit Qualification: Disclaimer of Opinion

3. Frequency of qualification: Thrid time

4. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Coffee Day Global Limited(subsidiary) company has recognised interest @8.50% as per restructuring plan and letter receive from the lenders where they have agreed interest payable is @8.5%.

5. For Audit Qualification(s) where the impact is not quantified by the auditor:

Coffee Day

| |
|---|
| i. Management's estimation on the impact of audit qualification: Impact already given in financials as per the proposed restructuring plan |
| ii. If management is unable to estimate the impact, reasons for the same: Not applicable |
| iii. Auditors' Comments on (i) or (ii) above: We have no comments to offer. |
| |
| **D. Financial Guarantee**<br>1. Details of Audit Qualification:<br>One of the subsidiary of the company has not recognized a financial guarantee given to erstwhile subsidiary SICAL amounting to Rs.41.67 Crores, which has been invoked by the lenders. Due to the proposed restructuring plan with the lender regarding a settlement, we are unable to assess the impact of this matter on the financial Results. Accordingly, the level of compliance with the Indian Accounting Standards cannot be ascertained by us. |
| 2. Type of Audit Qualification: Disclaimer of Opinion |
| 3. Frequency of qualification: Second time |
| 4. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: As the Coffee Day Global Limited(subsidiary) is in the process of restructuring of the debt, once the debt is restructured the respective corporate guarantee liabilities will be given effect in the financial statements to the extent required |
| 5. For Audit Qualification(s) where the impact is not quantified by the auditor: |
| i. Management's estimation on the impact of audit qualification: Not applicable |
| ii. If management is unable to estimate the impact, reasons for the same: Not Applicable |
| iii. Auditors' Comments on (i) or (ii) above: We have no comments to offer. |
| |
| **E. Recoverability of Capital Advances to the related parties:**<br>1. Details of Audit Qualification:<br>We draw attention to Note No.14 of the Consolidated Financial Results wherein in 1 subsidiary there are doubts on the recoverability of capital advance dues aggregating to INR 275 Crores. An agreement for the purchase of land at Mumbai had been entered into which has been acquired by City & Industrial Development Corporation (CIDCO) nodal agency for acquiring land for Navi Mumbai International Airport. CIDCO has proposed alternative land in lieu of the |

acquisition of land. However, the party has filed legal case for monetary compensation instead of alternate land.

2. Type of Audit Qualification: Disclaimer of Opinion

3. Frequency of qualification: Seventh time

4. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not ascertainable since it's a disclaimer of conclusion

5. For Audit Qualification(s) where the impact is not quantified by the auditor:

   i. Management's estimation on the impact of audit qualification: Not ascertainable

   ii. If management is unable to estimate the impact, reasons for the same:
   An agreement for purchase of land at Mumbai had been entered into by the Tanglin Developments Limited (subsidiary) with Mrs.Vasanthi Hegde in FY 2017-18. Based on agreement to purchase the land the Tanglin Developments Limited (subsidiary) has advanced Rs.27,500 Lakhs to Mrs.Vasanthi Hegde. The land in the name of Mrs.Vasanthi Hegde has been acquired by City & Industrial Development Corporation (CIDCO) nodal agency for acquiring land for Navi Mumbai International Airport. CIDCO has proposed alternative land in lieu of the acquisition of land. However Mrs.Vasanthi Hegde has filed legal case for monetary compensation instead of alternate land.

   iii. Auditors' Comments on (i) or (ii) above:
   As we have not been provided with the details of consequential actions, if any, we are unable to ascertain the impact of the same on the consolidated financial statements of the Group

**F. Material uncertainty relating to going concern**

1. Details of Audit Qualification:

The Consolidated Financial results of the Group have been prepared by the Management and Board of Directors using the going concern assumption in view of the positive net-worth of the Group (refer Note 7 of the Consolidated Financial Results). The matters detailed in the above paragraphs may have a consequential implication on the Group's ability to continue as a going concern. We have expressed the same in the reports of two subsidiary and three step-subsidiaries.

Further, the auditors of one subsidiary and two step-down subsidiary have also expressed material uncertainty over going concern in their reports.

| | |
|---|---|
| | 2. Type of Audit Qualification: Disclaimer of Opinion |
| | 3. Frequency of qualification: Seventh time |
| | 4. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not ascertainable since it's a disclaimer of conclusion |
| | 5. For Audit Qualification(s) where the impact is not quantified by the auditor: |
| | i. Management's estimation on the impact of audit qualification: Not ascertainable |
| | ii. If management is unable to estimate the impact, reasons for the same: The consolidated financial results for the quarter and year ended 31 March 2026 have been prepared on a going concern basis in view of the positive net worth of the Group amounting to Rs 3,156.30 crores as of 31 March 2026. |
| | iii. Auditors' Comments on (i) or (ii) above: The recoverability of the dues from related parties and ability of the subsidiaries to continue as a going concern have not been established with evidence by the Management and any shortfall in realization would affect the net worth of the Group and thereby affecting its ability to continue as a going concern. |
| **III** | **Signatories:** |
| ***-Sd-***<br><br>**CEO** | |
| ***-Sd-***<br><br>**CFO** | |
| ***-Sd-***<br><br>**Audit Committee Chairman** | |
| ***-Sd-***<br><br>**Statutory Auditor** | |
| **Place: Bangalore**<br><br>**Date: 27 May 2026** | |

## Explanatory Notes to the Statement of Consolidated Financial Results for Year Ended 31 March 2026

1 The consolidated financial results of Coffee Day Enterprises Limited ("Parent Company" or "CDEL" or "Company") and its subsidiaries (collectively known as 'Group') and its associates and joint ventures have been prepared by the management of the Parent Company which has been consolidated based on the consolidated and as well as standalone financial statements prepared by the management of respective subsidiaries, associates and joint Ventures and approved by Board of Directors of respective subsidiaries, associates and joint Ventures in accordance with the recognition and measurement principals laid down in Indian Accounting Standard (referred to as 'Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) as amended from time to time and other accounting principles generally accepted in India and in terms of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (the "Listing Regulations").

The consolidated figures above include figures of the subsidiaries including step-down subsidiary companies namely Coffee Day Global Limited, A.N Coffee day International Limited, Classic Coffee Curing Works, Coffee lab Limited, Coffee Day Gastronomie Und Kaffeehandles GmbH, Coffee Day CZ, Marnes HRM Services Private Limited(erstwhile Way2Wealth Capital Private Limited), Marnes Enterprises Private Limited(erstwhile Way2Wealth Enterprises Private Limited), Calculus Traders LLP, Coffee Day Hotels and Resorts Private Limited, Wilderness Resorts Private Limited, Karnataka Wildlife Resorts Private Limited, Coffee Day Trading Limited, Coffee Day Kabini Resorts Limited, Tanglin Developments Limited, Tanglin Retail Reality Developments Private Limited and Giri Vidhyuth (India) Limited.

The consolidated net profit/(loss) presented includes Group's share of profit /(loss) from joint ventures namely Coffee Day Consultancy Services Private Limited, Coffee Day Econ Private Limited, Coffee Day Schaerer Technologies Private Limited, and the Group's share of profits/(loss) from associate Barefoot Resorts and Leisure India Private Limited, Magnasoft Consulting India Private Limited, Magnasoft Europe Limited and Magnasoft Spatial Services Inc, AC & C Hospitality Resorts LLP(Associate from 30 January 2025).

2 The Statement of unaudited consolidated financial results ( 'the Statement') of the Group for the year ended 31 March 2026 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on 27 May 2026.

3 The consolidated financial results for the year ended 31 March 2026 have been audited by Statutory Auditors of the Company and they have expressed disclaimer opinion. The report of the Statutory Auditors is being filed with Bombay Stock Exchange and National Stock Exchange and is also available on the Company's website www.coffeeday.com. The figures for the quarter ended 31 March 2026 and corresponding quarter ended in previous year are the balancing figures between the audited figures in respect of the full year and the published year to date figures upto the end of third quarter of the relevant financial year. Also, the figures upto the end of third quarter has only been reviewed and not subjected to audit.

4 Information of standalone financial results of the Company:

*(₹ in Crores)*

| Particulars | Quarter ended | | | Year ended | |
|---|---|---|---|---|---|
| | 31-Mar-26 | 31-Dec-25 | 31-Mar-25 | 31-Mar-26 | 31-Mar-25 |
| | Audited* | Unaudited | Audited* | Audited | Audited |
| Total income from operations | 4.08 | 5.14 | 5.02 | 19.77 | 20.26 |
| Other Income | 0.58 | 4.90 | 0.05 | 5.50 | 5.50 |
| Profit/(loss) for the period before tax(Refer note below) | 130.50 | 36.31 | (246.52) | 173.93 | (241.59) |
| Profit/(loss) for the period after tax(Refer note below) | 130.50 | 36.31 | (246.52) | 173.93 | (241.59) |

**Note:**
YTD FY25
Includes impairment loss of ₹ 59.65 crores which is shown under exceptional item in profit and loss statement for the year ended 31 March 2025 .
Includes recognition of loss on invocation shares pledge to the extent of ₹ 171.06 crores for the year ended 31 March 2025.

During the year ended 31 March 2026, the lender who invoked CDGL shares, has realized proceeds from the sale of CDGL shares that were pledged and invoked in earlier years. These proceeds, amounting to ₹ 16.4 crores, were adjusted against the outstanding loan of subsidiary Coffee Day Hotels and Resorts Private Limited and have been recognized as an exceptional gain in the Statement of Profit and Loss.

On 29 Decemebr 2025 company has recevied settlement letter from Axis Bank for settlement their outstanding dues at Rs 70 crores with the settlement terms of Rs 35 crores payable on or before 31 Decemeber 2025. Company has paid Rs 35 crores on 29 Decemebr 2025 and Rs 35 crores on 4 February 2026 as part of loan settlement and recognised a gain of Rs 35.43 crores during the quarter ended 31 December and year ended 31 March 2026 as exceptional item.

Year ended and quarter ended 31 March 2026 includes one time gain of Rs 78.56 crores on settlement of SSG loan and Rs 55 crores on sale of CDGL

5 SEBI issued an order dated 24 January 2023 directing CDEL in the matter of transfer of funds by Subsidiaries of the Company to Mysore Amalgamated Coffee Estates Limited to take all the necessary steps for recovery of entire dues from MACEL and its related entities along with due interest, that are outstanding to the subsidiaries of CDEL. Further, SEBI has directed the Company to appoint an Independent Law firm in consultation with NSE within 60 days of this order, to take effective steps for recovery of dues and imposed a penalty of ₹ 25 Crores under section 15HA and ₹ 1 crore under section 15HB of the SEBI Act, 1992.
Thereafter, the company appealed the above order dated 24 January 2023 to the Hon'ble Securities Appellate Tribunal (SAT). However, the SAT granted stay on imposition of penalty.
As per the instructions of NSE the Company appointed Independent Law Firm Crest Law on 3 April 2023 to take effective steps for recovery of dues from MACEL. Subsidiaries of the company has initiated arbitration proceedings against MACEL. In this regard the subsidiaries of the company has filed claim statement as part of arbitration proceedings.

Under the above circumstances, no provision is made in the books of accounts against the amount receivable from MACEL.
As on 31 March 2026 the amount due by MACEL to various subsidiaries and joint venture of the company amounts ₹ 3,357.13 crores.

6 On 7 April 2026, the Company has made a disclosure in terms of SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 for the year ended 31 March 2026 regarding the defaults on payments of Interest/Repayment of principal amount on loans from Banks/ Financial institutions and unlisted debt securities.

## Explanatory Notes to the Statement of Consolidated Financial Results for Year Ended 31 March 2026

7 These consolidated financial results for the year ended 31 March 2026 have been prepared on a going concern basis in view of the positive net worth of the Group amounting to ₹ 3,156 crores as of 31 March 2026.

8 The Group has borrowings amounting to ₹ 671 crores as at 31 March 2026. There have been certain covenant breaches with respect to certain borrowings taken by the group from various lenders. Such breaches entitle the lenders to recall the loan. On the date of this statement, there have been certain defaults in repayments of principal and/or interest of the loans and certain lenders have exercised their rights including recall the loans. Some of the lenders initiated legal process to recover the dues. On 7 September 2023, one of the lenders of the company has filed an application with NCLT, Bangalore for recovery of its dues and NCLT, Bangalore vide order dated 8 August 2024 has admitted the company to Corporate Insolvency Resolution Process(CIRP). The Company has appleade against the NLCT, Bangalore order dated 8 August 2024 before NCLAT, Chennai and NCLAT, Chennai vide its order dated 14 August 2024, has stayed the operation of the impugned order passed by NCLT, Bangalore. Further, Lender approached Supreme Court, and the matter was listed on 31st January 2025 wherein the Supreme Court has directed the concerned NCLAT, Chennai to dispose of the appeal pending before it on or before 21 February 2025. In the event the appeal is not disposed of by then, the impugned order passed by the Appellate Tribunal shall stand vacated automatically. On 27 February 2025 NCLAT has allowed the appeal filed by the company.
Company has entered into settlement agreement with Credit opportunities India Pte Ltd and India Special situations Scheme-I (debenture holders of the company) to settle the loan in three tranches. The Company has paid ₹ 28.90 crores on 9 April 2025 as first tranche as agreed in the settlement agreement. The Company has also paid ₹ 82.32 crores on 10 July 2025 as Second tranche and the lender has realised ₹ 55 crores by way of sale of invoked shares, originally pledged by the company. with this one time settlement the loan is completely settled.
However, the third tranche amounting to ₹50 crores is payable on 30 June 2028 upon achievement of the share price milestone or EBITDA milestone as specified in the Settlement Agreement. Since the obligation to pay the third tranche arises only upon occurrence of the specified milestones, the same is treated as contingent payment.
Consequent to the above settlement arrangement, the Company has recognised a gain of ₹78.55 crores on settlement of the loan liability and ₹55 crores towards adjustment arising from sale of invoked shares by the lender. The aforesaid amounts have been disclosed as exceptional items in the Statement of Profit and Loss for the year ended 31 March 2026.

On 29 Decemebr 2025 company has recevied settlement letter from Axis Bank for settlement their outstanding dues at Rs 70 crores with the settlement terms of Rs 35 crores payable on or before 31 Decemeber 2025. Company has paid Rs 35 crores on 29 Decemebr 2025 as part of loan settlement and recognised a gain of Rs 35.43 crores during the quarter ended 31 December 2025. On 4 February 2026 company has paid remaining amount of Rs 35 crores and settled the loan in full.

9 The Board of directors of Coffee Day Global Limited(subsidiary) in its meeting held on 11 February 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on 07 June 2019 for loan/borrowings.
As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 24-Sep 25 @8.50% for Indian Lenders and applicable interest rate for ECB and the same is paid. Lenders have confirmed that there is no Overdue. The plan is awaiting required implementation by Lenders.

The National Company Law Tribunal (NCLT) has taken up an application filed by the Insolvency administrator of Foreign subsidiary "Coffee Day and Kaffeehandels GmbH( Vienna, Austria) of Coffee Day Global Limited(Subsidiary) for a claim amount of Euro 3,28,767 with interest applicable @9.20 p.a. from Dec 2020. Coffee Day Global Limited(Subsidiary) have filed objection to the claim made. The party has filed rejoinder to the objections made by Coffee Day Global Limited(Subsidiary). The legal proceedings is in progress

10 On 27 April 2023, Coffee Day Hotels and Resorts Private Limited (subsidiary) has entered into "Full and Final Restructuring Agreement" with Phoenix ARC Private Limited and Clix Capital services Private Limited to settle the entire dues of ₹ 112 crores(₹ 100 crores(principal) and ₹ 12 crores for interest) for a sum of ₹ 95 Crores. Out of which i) ₹ 45 crores has to be paid on or before 22 May 2023 and ii) Balance ₹ 50 Crores on or before 31 December 2025. The settlement is contingent upon making the payment with in the due dates mentioned above. As on 31 March 2025, Coffee Day Hotels and Resorts Private Limited (subsidiary) has paid ₹ 69.4 Crores towards the dues payable.
During the quarter ended 30 June 2025 and nine months ended 31 December 2025, Coffee Day Hotels and Resorts Private Limited, a subsidiary of the Company, recognized an exceptional gain of ₹18.58 crores arising from the settlement of its outstanding borrowings pursuant to a full and final restructuring agreement entered into with Phoenix ARC Private Limited and Clix Capital Services Private Limited. The gain represents the difference between the carrying amount of the loans in the books and the total amount settled, including proceeds of ₹16.40 crores realized by the lenders through the sale of invoked securities. Upon such recovery, there are no further dues outstanding to the lender as agreed in the Full and Final Restructuring Agreement.

11 Change in the percentage of shares held by the Company in its two subsidiaries viz M/s TDL & M/s CDGL as of 31 March 2025 due to invocation of shares pledged to the lenders. The lenders have not made any adjustments to the loan outstanding as the lenders have not realised any amount on invocation of these shares. Since the shares are not listed it is not possible to attribute any value to the invoked shares.
The company has recognised invocation in compliance with IND AS and made adjustments to respective Non controlling interest in subsidiaries.

During the Quarter ended 30 June 2025 and year ended 31 March 2026, the lender who invoked CDGL shares, has realized proceeds from the sale of CDGL shares that were pledged and invoked in a earlier years. These proceeds, amounting to ₹ 16.4 crores, were adjusted against the outstanding loan of subsidiary Coffee Day Hotels and Resorts Private Limited and have been recognized as an exceptional gain in the Statement of Profit and Loss.

12 Coffee Day Trading Limited (subsidiary) has not remitted income tax demand of ₹ 70.21 crores (includes interest up to 31 March 2026) relating to financial year 2018-19 relevant to Asst Year 2019-20. Coffee Day Trading Limited (subsidiary) has not remitted income tax demand of ₹ 76.81 crores (includes interest up to 31 March 2026) relating to financial year 2019-20 relevant to Asst Year 2020-21.

## Explanatory Notes to the Statement of Consolidated Financial Results for Year Ended 31 March 2026

13 Some of the subsidiaries have not received balance confirmation in respect of certain lenders. Management of the subsidiaries are making an efforts to get the balance confirmations from the lenders.

14 An agreement for purchase of land at Mumbai had been entered into by the Tanglin Developments Limited (subsidiary) with Mrs.Vasanthi Hegde in FY 2017-18. Based on agreement to purchase the land the Tanglin Developments Limited (subsidiary) has advanced ₹ 275 crores to Mrs.Vasanthi Hegde. The land in the name of Mrs.Vasanthi Hegde has been acquired by City & Industrial Development Corporation (CIDCO) nodal agency for acquiring land for Navi Mumbai International Airport. CIDCO has proposed alternative land in lieu of the acquisition of land. The matter is under leagal dispute pending conclusion.

15 On 30 January 2025, Coffee Day Hotels and Resorts Private Limited (CDHRPL) (Wholly owned subsidiary of the Company) entered into Amended and Restated Limited Liability Partnership Agreement of AC & C Hospitality Resort LLP (AC&C) (Wholly Owned Subsidiary (LLP) of CDHRPL, with Chaitra Civil Ventures LLP(CCV) (Retiring Partner) and Ammolite Properties Private Limited (APPL) (new partner) in/of AC&C Hospitality Resorts LLP). The APPL was invested ₹ 34.14 crores in AC &C, post the investment and transfer of PSR from CCV, APPL holds Profit Sharing Ratio of 50.10% in AC&C Hospitality Resorts LLP(AC&C).

The gain on loss of control on AC & C Hospitality Resorts LLP ₹ 58.89 crores accounted as exceptional item during the quarter and year ended 31 March 2025.

16 During the year ended 31 March 2025, Tanglin Developments Limited(subsidiary) has paid ₹ 11 crores for its corporate guarantee liability as full and final settlement to JCF ARC Private Limited the lender of Sical Logistics Limited and JCF ARC Private Limited has released the corporate guarantee of Tanglin Developments Limited towards Sical Logistics limited borrowing. Sical Logistics Limited’s resolution process is completed and no amount is recoverable and same is shown as expense under exceptional items.

17 During the FY 24-25, the Coffee Day Global Limited(subsidiary) has received an amount of ₹ 35.52 Crores towards Income Tax Refund from Financial Year 2010-11 till 2024-25. The same is accounted in the books as per below Tabe

| **Particulars** | **₹ Crs** |
|---|---|
| Interest Income on IT Refund | 10.66 |
| Excess Tax provision of Earlier years reversed | 4.05 |
| TDS Receivable/Advance Tax | 12.25 |
| Tax Paid under protest | 8.56 |
| **Total** | **35.52** |

18 CDGL's foreign subsidiary, A N Coffee Day, and its step-down subsidiaries, Coffee Day Gastronomie and Coffee Day Czech Republic, have been liquidated. Consequent to the liquidation, the Company has lost control over these entities and accordingly, they have been deconsolidated from the consolidated financial results. The gain on derecognition has been recognised in the Statement of Profit and Loss.
The Company is in the process of filing the application with the Reserve Bank of India

19 Since, Coffee Day Global Limited (subsidiary)has exercised the option permitted under section 115BAA of the Income-tax Act, 1961, Coffee Day Global Limited (subsidiary) is subject to Income tax at a concessional rate of 25.17% (inclusive of surcharge and cess), as against the earlier applicable rate of 34.94%. Consequent to the adoption of the new tax regime, Coffee Day Global Limited (subsidiary) has remeasured its deferred tax balances using the revised tax rate. This remeasurement has resulted in a reversal of Deferred Tax Asset amounting to ₹ 132.12 crores, which has been recognised in the Statement of Profit and Loss during year ended 31 March 2025. However the same has no impact on the cash flow of the Coffee Day Global Limited (subsidiary).

20 Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the "New Labour Codes'. The New Labour Codes has resulted in a one-time material increase in provision for employee benefits on account of recognition of past service costs. Based on the requirements of New Labour Codes and the ICAl clarification, the Group has assessed and accounted the estimated incremental impact gratuity of Rs.9.11 crores as Exceptional Items in the Consolidated Results for the quarter and year ended March 31, 2026.

21 During the quarter December 31, 2025 and year ended March 31, 2026, Coffee Day Global Limited(subsidiary) has recognised and exceptional item of Rs 43.49 Crores towards Profit/Loss on One Time Settlement (OTS) with lender, Cancellation of Lease Deed for 10 Acres of Land at Chikkamagaluru and Sale of 5 Acre land at Chikkamagaluru.

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

*-Sd-*
**Malavika Hegde**
**CEO and Whole Time Director**
Place: Bangalore
Date: 27 May 2026

# COFFEE DAY ENTERPRISES LIMITED
## STANDALONE FINANCIAL STATEMENTS

**1. Independent Auditors Report**

**2. Financial Statements & Explanatory Notes to Financial Results**

**3. Statement on Impact of Audit Qualifications**

# INDEPENDENT AUDITOR'S REPORT

To,

**Members of Coffee Day Enterprises Limited**

**REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

## Disclaimer of Opinion

We were engaged to audit the accompanying standalone financial statements of Coffee Day Enterprises Limited ('the Company'), which comprise the standalone balance sheet as at March 31, 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information (collectively referred to as the 'standalone financial statements').

We do not express an opinion on the accompanying standalone financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the standalone financial statements.

## Basis for Disclaimer of Opinion

1. We have not been provided with sufficient evidence with respect to recoverability of dues from group companies amounting to Rs. 1,444.38 Crores (refer Note 7B of the standalone financial statements). We are therefore unable to comment on the recoverability of the stated balance from group companies and the impact on the standalone financial statements.

2. Attention is drawn to Note 14 of the standalone financial statements, wherein instances of non-compliance with certain debt covenants including interest & principal repayment defaults have been described. We also draw attention to the fact that the Company has not obtained the balance confirmations on loans from two lenders amounting to Rs. 76.98 crores. In the absence of adequate and sufficient audit evidence to establish the amounts payable to the lenders, we are unable to provide our opinion on the correctness of these amounts reflected in the standalone financial statements and also on their consequential impact including compliance with accrual concept of accounting and potential tax liabilities.

3. The standalone financial statements have been prepared by the Management and Board of Directors using the going concern assumption (Refer Note 39 of the standalone financial statements). The matters detailed in the above paragraphs may have a consequential implication on the Company's

ability to continue as a going concern. We are therefore unable to comment on whether the going concern basis for preparation of the standalone financial statements is appropriate.

**Information other than the Standalone Financial Statements and Auditor's Report thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibilities for the Standalone Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and 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) specified 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our responsibility is to conduct an audit of the standalone financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statements.

We are independent in accordance with the ethical requirements in accordance with the Code of ethics and provisions of the Act, that are relevant to our audit of the standalone financial statements and we have fulfilled our other ethical responsibilities in accordance with the code of ethics and the requirements under the Act.

**Report on Other Legal and Regulatory Requirement**

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 of the aforesaid standalone financial statements, except as stated in Basis for disclaimer opinion section.

    b. Except for the possible effects of the matters described in the Basis of disclaimer opinion section above, 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of accounts.

    d. Except for the effects of the matter described in Basis for disclaimer opinion paragraph, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

    e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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".

g. With respect to the matter to be included in the Auditors' Report under section 197(16), in our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the current year, hence reporting under this clause is not applicable.

h. With respect to the other matters to be included in the Auditors' 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:

   i. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its standalone financial statements - Refer Note 27 to the standalone financial statements;

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

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

   iv. a) The Management has represented that, to the best of its knowledge and belief, during the year no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b) The Management has represented, that, to the best of its knowledge and belief, during the year no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year, hence we have no comments on the compliance with section 123 of the Companies Act, 2013.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31,2026 which have a feature of recording audit trail(edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For Venkatesh & Co.,**
Chartered Accountants
Firm registration number: 004636S

*-Sd-*
**CA Hrishikesh D**
Partner
Membership Number: 272865
UDIN : 26272865MVULRD2649
Bengaluru, May 27, 2026

## Annexure A to Independent Auditors 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 March 31, 2026, we report that:

i)

a. A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property plant and Equipment.
   B) In respect of Intangible Assets, the company is maintaining proper records showing full particulars of intangible 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, the Company does not have any immovable properties except for a parcel of land held on long-term lease and buildings constructed on this land. We have verified the lease agreement, which is in the name of the Company for the land taken on lease and is duly registered with the appropriate authority.

d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) A) According to the information and explanations given to us and on the basis of our examination of the records, the company does not have any inventories. Thus, paragraph 3(ii)(a) of the Order is not applicable.

B) The Company has not availed any working capital limits at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted a loan to its subsidiary during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to four subsidiaries -

| Particulars | Loans | Guarantees |
|---|---|---|
| Aggregate amount granted/provided during the year * | | |
| --> Subsidiaries | Rs. 111.21 Crores** | Nil |
| --> Others | Nil | Nil |
| `Balance outstanding as on 31/03/2026 out of the above | | |
| --> Subsidiaries | Rs. 111.21 Crores** | Nil |
| --> Others | Nil | Nil |

* Net amount of loan granted less recoveries if any have been considered

** Includes assignment of loan from one subsidiary company amounting to Rs.90 Crores.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the above loans are not prejudicial to the interests of the company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the principal amount of these loans are repayable on demand, and no interest is charged on these loans. Hence, we don't comment on the regularity of the repayment of these loans.

(d) According to the information provided to us and based on our examination of the records of the company, the company has not sought repayment of the above loans till the date of Balance Sheet, hence there is no amount overdue for a period of more than ninety days.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loans during the year repayable on demand and without specifying terms or period of repayment

| Particulars | All Parties | Promoters | Related Parties |
|---|---|---|---|
| Aggregate amount of Loans:<br>- Repayable on demand /does not specify any terms or period. | Rs. 111.21 crores | Nil | Rs.111.21 crores |
| Total | Rs.111.21 crores | Nil | Rs.111.21 crores |
| Percentage of Loans/advance in nature of loans to the total loans | 100% | Nil | 100% |

iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has complied to the extent applicable with the provisions specified under Section 185 and 186 of the Companies Act, 2013.

v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

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, Income tax dues, Goods and Service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

b. According to the information and explanations given to us, there are no dues of Goods and Service tax and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute and the amounts described in point (a) above. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Duty of Customs and Cess during the year.

viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has defaulted in repayment of the loans including interest as specified in Note 14(iii), Note 14(iv) and Note 18 to the financial statements.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised during the year on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that during the year,the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that during the year, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) No whistle blower complaints were received during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) 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 during the year and hence reporting under clause 3(xvi)(a) of the Order is not applicable.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities and hence clause 3(xvi)(b) is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash loss in the Current Year and the company has incurred cash loss of Rs. 3.40 crores in the previous year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions we report that. We were not provided with sufficient appropriate audit evidence which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For Venkatesh & Co.,**
Chartered Accountants
Firm registration number: 004636S

*-Sd-*
**CA Hrishikesh D**
Partner
Membership Number: 272865
UDIN : 26272865MVULRD2649
Bengaluru, May 27, 2026

## Annexure B to the Independent Auditors' report on the standalone financial statements of Coffee Day Enterprises Limited for the year ended March 31, 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2026, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Disclaimer of Opinion

Due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" paragraph above, we are unable to obtain sufficient and appropriate evidence to provide a basis for our opinion on whether the Company has adequate internal financial controls over financial reporting with reference to these Ind AS financial statements as at March 31, 2026.

### Basis for Disclaimer of Opinion

Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph in our main audit report, we are unable to obtain sufficient and appropriate evidence to provide a basis for our opinion on whether the Company has adequate internal financial controls over financial reporting with reference to these Ind AS financial statements as at March 31, 2026 and whether such internal financial controls were operating effectively. Accordingly, we do not express an opinion on the internal financial controls over financial reporting with reference to the standalone financial statements of the Company.

### Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 (the "Guidance Note") issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

### 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") issued by the ICAI and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls with reference to Financial Statements**

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

**Inherent Limitations of Internal Financial Controls with reference to standalone Financial Statements**

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

**For Venkatesh & Co.,**
Chartered Accountants
Firm registration number: 004636S

*-Sd-*
**CA Hrishikesh D**
Partner
Membership Number: 272865
UDIN : 26272865MVULRD2649
Bengaluru, May 27, 2026

**Coffee Day Enterprises Limited**
**Standalone balance sheet**

*₹ in million*

| | Note | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 4.1 | 44.20 | 46.68 |
| Capital Work in Progress | 4.2 | 1.76 | - |
| Intangible assets | 5 | - | - |
| Financial assets | | | |
| (i) Investments | 6 | 4,291.50 | 4,291.51 |
| (ii) Loans | 7-A | 3.00 | 3.00 |
| (iii) Other financial assets | 8-A | 1.46 | 1.34 |
| Other Non Current Assets | 10-A | 55.04 | 57.86 |
| **Total non-current assets** | | **4,396.96** | **4,400.39** |
| **Current assets** | | | |
| Financial assets | | | |
| (i) Trade receivables | 11 | 0.06 | 1.89 |
| (ii) Cash and cash equivalents | 12 | 79.81 | 88.34 |
| (iii) Loans | 7-B | 14,446.85 | 16,302.75 |
| (iii) Other Current financial assets | 8-B | 1.00 | - |
| Current Tax Assets (Net) | 9 | 8.03 | 4.12 |
| Other current assets | 10-B | 1.56 | 0.84 |
| **Total current assets** | | **14,537.31** | **16,397.94** |
| **TOTAL ASSETS** | | **18,934.27** | **20,798.33** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 13.1 | 2,112.52 | 2,112.52 |
| Other equity | 13.2 | 15,805.12 | 14,058.56 |
| **Total equity** | | **17,917.64** | **16,171.08** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Lease Liabilities | 15-A | 35.66 | 37.81 |
| Provisions | 16-A | 26.45 | 21.43 |
| **Total non-current liabilities** | | **62.11** | **59.24** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 14 | 769.82 | 4,176.78 |
| (ia) Lease liabilities | 15-B | 3.04 | 3.28 |
| (iii) Trade payables | | | |
| Total outstanding dues to micro enterprises and small enterprises; and | | 0.13 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 17 | 7.80 | 4.45 |
| (iv) Other financial liabilities | 18 | 168.49 | 280.21 |
| Other current liabilities | 19 | 4.32 | 102.54 |
| Provisions | 16-B | 0.92 | 0.75 |
| **Total current liabilities** | | **954.52** | **4,568.01** |
| **TOTAL EQUITY AND LIABILITIES** | | **18,934.27** | **20,798.33** |
| **Material 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* **Venkatesh & Co**
*Chartered Accountants*
Firm registration number: 004636S

*-Sd-*
**CA Hrishikesh D**
*Partner*
Membership no.: 272865
Place: Bangalore
Date: May 27, 2026
UDIN: 26272865MVULRD2649

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

*-Sd-*
**Malavika Hegde**
*CEO & Whole-time Director*
DIN: 00136524

*-Sd-*
**Dr. I.R Ravish**
*Director*
DIN: 09180669

*-Sd-*
**R Ram Mohan**
*Chief Financial Officer*
M.No.019290
Place: Bangalore
Date: May 27, 2026

*-Sd-*
**Sadananda Poojary**
*Company Secretary*
M.No.5223
Place: Bangalore
Date: May 27, 2026

**Coffee Day Enterprises Limited**
**Standalone statement of profit and loss**

*₹ in million*

| | Note No | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 20 | 197.71 | 202.62 |
| Other income | 21 | 55.04 | 54.95 |
| **Total income** | | **252.75** | **257.57** |
| **Expenses** | | | |
| Employee benefits expense | 22 | 85.04 | 79.09 |
| Finance costs | 23 | 122.61 | 145.95 |
| Depreciation and amortization expense | 24 | 6.11 | 4.64 |
| Net Loss on de-recognition of financial asset at amortised cost | 6 | - | 1,710.65 |
| Other expenses | 25 | 139.87 | 136.68 |
| **Total expenses** | | **353.63** | **2,077.01** |
| **Profit/(loss) before exceptional items and tax** | | **(100.88)** | **(1,819.44)** |
| Exceptional items | 26 | 1,840.15 | (596.47) |
| **Profit/(loss) before tax** | | **1,739.27** | **(2,415.91)** |
| Tax expense | | - | - |
| Deferred tax | | - | - |
| **Profit/(loss) for the year** | | **1,739.27** | **(2,415.91)** |
| **Other comprehensive income:** | | | |
| **Items that will not be reclassified to profit or loss:** | | | |
| Re-measurements of defined benefit plan | 35 | 7.29 | (7.24) |
| | | 7.29 | (7.24) |
| Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| **Other comprehensive income for the year** | | 7.29 | (7.24) |
| **Total Comprehensive income for the year** | | **1,746.56** | **(2,423.15)** |
| **Loss per equity share:** | | | |
| - Basic | 31 | 8.23 | (11.44) |
| - Diluted | | 8.23 | (11.44) |
| **Material 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* **Venkatesh & Co**
*Chartered Accountants*
Firm registration number: 004636S

-Sd-
**CA Hrishikesh D**
*Partner*
Membership no.: 272865
Place: Bangalore
Date: May 27, 2026

UDIN: 26272865MVULRD2649

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

*-Sd-*
**Malavika Hegde**
*CEO & Whole-time Director*
DIN: 00136524

*-Sd-*
**Dr. I.R Ravish**
*Director*
DIN: 09180669

*-Sd-*
**R Ram Mohan**
*Chief Financial Officer*
M.No.019290
Place: Bangalore
Date: May 27, 2026

*-Sd-*
**Sadananda Poojary**
*Company Secretary*
M.No.5223
Place: Bangalore
Date: May 27, 2026

**Coffee Day Enterprises Limited**
**Standalone statement of cash flows**

*₹ in million*

| | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit before tax/(Loss) for the year | 1,739.27 | (2,415.91) |
| Adjustments for: | | |
| - Finance cost | 121.38 | 145.42 |
| - Ind AS Interest Income | 0.13 | - |
| - Exceptional items | (1,840.15) | 596.47 |
| - Expenses Written Back | (53.22) | - |
| - Net loss on de-recognition of financial assets at amortized cost | - | 1,710.65 |
| - Depreciation and amortization | 6.11 | 4.64 |
| Operating cash flow before working capital changes | (26.48) | 41.27 |
| *Changes in* | | |
| - Trade receivables | 1.83 | 0.60 |
| - Provisions | (1.22) | 2.02 |
| - Trade payables | 3.48 | (2.84) |
| - Other current and non current financial liabilities | (1.81) | 0.46 |
| - Other current and non-current liabilities | (98.22) | 69.40 |
| - Other current and non-current assets | 0.86 | (3.41) |
| - Current and non current loans | 2,019.90 | (111.25) |
| Cash generated from operations | 1,924.82 | (45.02) |
| Income taxes refund/(paid) | (3.91) | 106.55 |
| **Cash generated from operations [A]** | **1,894.43** | **102.80** |
| | | |
| **Cash flows from investing activities** | | |
| Acquisition of property, plant and equipment | (5.39) | 0.50 |
| Proceeds received from investments | - | - |
| **Net cash generated/(used) in investing activities [B]** | **(5.39)** | **0.50** |
| | | |
| **Cash flows from financing activities** | | |
| Repayment of borrowings | (1,845.63) | (16.99) |
| Interest paid | (44.54) | (68.25) |
| Lease liabilities paid | (7.40) | (7.06) |
| **Net cash used in financing activities [C]** | **(1,897.57)** | **(92.30)** |
| | | |
| **Net increase/(decrease) in cash and cash equivalents [A+B+C]** | (8.53) | 10.00 |
| **Cash and cash equivalents at the beginning of the year** | 88.34 | 78.34 |
| **Cash and cash equivalents at the end of the year (refer note 12 )** | **79.81** | **88.34** |

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

As per our report of even date attached

*for* **Venkatesh & Co**
*Chartered Accountants*
Firm registration number: 004636S

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

*-Sd-*
**CA Hrishikesh D**
*Partner*
Membership no.: 272865
Place: Bangalore
Date: May 27, 2026

UDIN: 26272865MVULRD2649

*-Sd-*
**Malavika Hegde**
*CEO & Whole-time Director*
DIN: 00136524

*-Sd-*
**Dr. I.R Ravish**
*Director*
DIN: 09180669

*-Sd-*
**R Ram Mohan**
*Chief Financial Officer*
M.No.019290
Place: Bangalore
Date: May 27, 2026

*-Sd-*
**Sadananda Poojary**
*Company Secretary*
M.No.5223
Place: Bangalore
Date: May 27, 2026

Coffee Day Enterprises Limited
Standalone statement of changes in equity

a **Equity share capital**

**For the year ended 31 March 2026** *₹ in million*

| Balance at the beginning of 1 April 2025 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of 31 March 2026 |
|---|---|---|---|---|
| 2,112.52 | - | - | - | 2,112.52 |

**For the year ended 31 March 2025** *₹ in million*

| Balance at the beginning of 1 April 2024 | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of 31 March 2025 |
|---|---|---|---|---|
| 2,112.52 | - | - | - | **2,112.52** |

b **Other equity**

**For the year ended 31 March 2026** *₹ in million*

| Particulars | Reserves and Surplus | | | Total |
|---|---|---|---|---|
| | Securities Premium | Retained Earnings | Debenture redemption reserve | |
| Balance as at 1 April 2025 | **22,898.84** | **(9,340.28)** | **500.00** | **14,058.56** |
| Changes in accounting policy/prior period errors | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | - | - | - |
| **Total comprehensive income for the year ended 31 March 2026** | | | | |
| Profit/(Loss) During the year | - | 1,739.27 | - | **1,739.27** |
| Other comprehensive income | - | 7.29 | - | **7.29** |
| **Total comprehensive income** | **22,898.84** | **(7,593.72)** | **500.00** | **15,805.12** |
| Dividends | 0.00 | 0.00 | 0.00 | 0.00 |
| Transfer to retained earnings | 0.00 | 0.00 | 0.00 | 0.00 |
| **Balance as at 31 March 2026** | **22898.84** | **(7,593.72)** | **500.00** | **15805.12** |

**For the year ended 31 March 2025** *₹ in million*

| Particulars | Reserves and Surplus | | | Total |
|---|---|---|---|---|
| | Securities Premium | Retained Earnings | Debenture redemption reserve | |
| Balance as at 1 April 2024 | **22,898.84** | **(6,917.13)** | **500.00** | **16,481.71** |
| Changes in accounting policy/prior period errors | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | - | - | - |
| **Total comprehensive income for the year ended 31 March 2025** | | | | |
| Loss During the year | - | (2,415.91) | - | **(2,415.91)** |
| Other comprehensive income | - | (7.24) | - | **(7.24)** |
| **Total comprehensive income** | **22,898.84** | **(9,340.28)** | **500.00** | **14,058.56** |
| Dividends | - | - | - | - |
| Transfer to retained earnings | - | - | - | - |
| **Balance as at 31 Mar 2025** | **22,898.84** | **(9,340.28)** | **500.00** | **14,058.56** |

**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.

**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/(losses) that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to investors.

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

As per our report of even date attached

*for* **Venkatesh & Co**
*Chartered Accountants*
Firm registration number: 004636S

*-Sd-*
**CA Hrishikesh D**
*Partner*
Membership no.: 272865
Place: Bangalore
Date: May 27, 2026

UDIN: 26272865MVULRD2649

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

*-Sd-*
**Malavika Hegde**
*CEO & Whole-time Director*
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**Dr. I.R Ravish**
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DIN: 09180669

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**R Ram Mohan**
*Chief Financial Officer*
M.No.019290
Place: Bangalore
Date: May 27, 2026

*-Sd-*
**Sadananda Poojary**
*Company Secretary*
M.No.5223
Place: Bangalore
Date: May 27, 2026

### 1.0 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, 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, Hospitality and Information Technology (IT) / Information Technology Enabled Services (ITeS).

**List of Subsidiaries,Assocaites and Joint Ventures with percentage of 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 | a subsidiary of the Company incorporated under the laws of India | 51.71% |
| Tanglin Developments Limited ('TDL') | a subsidiary of the Company incorporated under the laws of India | 87.12% |
| 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% |
| Coffee Day Kabini Resorts Limited ('CDKRL') | a subsidiary of the Company incorporated under the laws of India | 100.00% |
| **STEP-DOWN SUBSIDIARIES** | | |
| Tanglin Retail Reality Developments Private Limited ('TRR') | a subsidiary of TDL incorporated under the laws of India | 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% |
| Coffee lab Limited | a subsidiary of CDGL incorporated under the laws of India | 100.00% |
| Marnes Hrm Services Private Limited (formerly known as Way2Wealth Capital Private Limited) | a subsidiary of TDL incorporated under the laws of India | 99.99% |
| Marnes Enterprises Private Limited(formerly known as Way2Wealth Enterprises Private | a subsidiary of TDL incorporated under the laws of India | 100.00% |
| Calculus Traders LLP | a subsidiary of TDL incorporated under the laws of India | 99.99% |
| 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% |
| **ASSOCIATES** | | |
| Magnasoft Consulting India Private Limited (MCIPL) | a associate of CDTL incorporated under the laws of India | 47.07% |
| 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% |
| Barefoot Resorts and Leisure India Private Limited | an associate of CDHRPL incorporated under the laws of India | 27.69% |
| AC & C Hospitality Resorts LLP | a associate of CDHRPL incorporated under the laws of India (from 30 Jan 2025) | 49.89% |
| **JOINT VENTURES** | | |
| Coffee Day Consultancy Services Private Limited (CDCSPL) | a joint venture of CDGL and CDEL incorporated under the laws of India | 51.00% |
| Coffee Day Econ Private Limited (CDCSPL) | a Joint venture of CDCSPL incorporated under the laws of India | 99.99% |
| Coffee Day Schaefer Technologies Private Limited ('CDSTPL') | a joint venture of CDGL incorporated under the laws of India | 49.00% |

2.0 **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 other material 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 for the year ended 31 March 2026 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 35 – 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;

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.

2.6 **Measurement of fair values (continues)**

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 (Refer note 36)
- Disclosures for valuation methods, significant estimates and assumptions (Refer note 36)
- Quantitative disclosures of fair value measurement hierarchy (Refer note 36)
- Financial instruments (including those carried at amortised cost (Refer note 36)

2.7 **Changes in accounting policies**

The Company has consistently applied the accounting policies set out in note 3 to all periods presented in these standalone financial statements.

## 3 Material accounting policies

### 3.1 Property, plant and equipment

**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.

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.

**Property, plant and equipment:(Continues)**

**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 equipment | 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**

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.
-Trade receivables

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.

3.2 **Impairment of assets (continues)**

*Measurement of expected credit losses*

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured at 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**

The Company derives its revenue primarily from running and/or managing hotels and resorts and providing consultancy services

The Company has initially applied Ind AS 115 - 'Revenue from contracts with Customers' from 1 April 2018. IndAs 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaced Ind AS 18 - Revenue and Ind AS 11 Construction Contracts and Guidance Notes.

Revenue is recognised when the entity satisfies a performance obligation by transferring a promised good or service to a customer. An asset is transferred when the customer obtains control of an asset.

Service income is recognized when the related services are rendered unless significant future contingencies exist.

Income from resorts:
Sales are disclosed net of sales tax, goods and services tax, trade discount and quality claims.
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.
Income from operations of resort primarily comprises of revenue from room rentals and sale of food and beverage charges. Such service income is recognised when the related services are rendered unless significant future contingencies exist.
Revenue from sale of coffee beans is recognised when control is transferred to the buyer.

Interest Income
Interest on the deployment of funds is recognised using the effective interest rate method.

3.5 **Leases**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset.

The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term

The company has applied Ind AS 116 on 1st April 2019, using the modified retrospective approach. Therefore the cumulative effect of adopting Ind AS 116 is recognised as an adjustment to opening balance of retained earnings at 1st April 2019, with no restatement of comparative information.

The following is the summary of practical expedients elected on initial application :

1. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
4. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment.

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.

3.6 **Investments and other financial assets (continues)**

**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 |
| 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.

3.6 **Investments and other financial assets (continues)**

**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.

**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 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 Company 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 recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary

differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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.

3.14 **Earnings per share**

The basic earnings 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.

There are no potential dilutive equity shares with the Company.

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

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA notified amendments to various Indian Accounting Standards under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, applicable to the Company with effect from April 1, 2025.

**(i) Amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates**

The amendments specify how an entity should assess whether a currency is exchangeable into another currency and how it should determine the spot exchange rate when exchangeability is lacking. The amendments also require additional disclosures to enable users of financial statements to understand the impact of a currency not being exchangeable into another currency on the entity's financial performance, financial position and cash flows.

The Company has evaluated the amendments and concluded that they do not have a material impact on the financial statements.

**(ii) Amendments to Ind AS 1 – Presentation of Financial Statements**

The amendments clarify the requirements for classification of liabilities as current or non-current, including liabilities arising from loan arrangements containing covenants. The amendments specify that the right to defer settlement of a liability must exist at the end of the reporting period and that classification is based on rights existing at the reporting date. The amendments also introduce additional disclosure requirements for non-current liabilities subject to covenants.

The Company has evaluated the amendments and concluded that they do not have a material impact on the financial statements,

**(iii) Amendments to Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures**

The amendments introduce disclosure requirements relating to supplier finance arrangements. The amendments require entities to provide information regarding the terms and conditions of such arrangements, the carrying amounts of related liabilities and the effects of such arrangements on the entity's cash flows and liquidity risk.

The Company has evaluated the amendments and concluded that they do not have a material impact on the financial statements, except for additional disclosures, where applicable.

**(iv) International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12**

The amendments introduce a temporary mandatory exception from the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes arising from the OECD Global Anti-Base Erosion ("GloBE") rules. The amendments also require entities to provide specified disclosures regarding their exposure to Pillar Two income taxes.

The Company has evaluated the amendments and concluded that they do not have a material impact on the financial statements. Further, the Company is currently not within the scope of the Pillar Two rules.

**(v) Other Amendments**

The amendments to Ind AS 101 – First-time Adoption of Indian Accounting Standards, Ind AS 108 – Operating Segments, Ind AS 109 – Financial Instruments, Ind AS 115 – Revenue from Contracts with Customers and Ind AS 32 – Financial Instruments: Presentation are primarily consequential, clarificatory or editorial in nature. The Company has evaluated these amendments and concluded that they do not have any material impact on the financial statements.

*(This space is intentionally left blank)*

### 4.1 Property, plant and equipment

*₹ in million*

| Particulars | Owned | | | | | | Right of Use Assets (Land) | Total |
|---|---|---|---|---|---|---|---|---|
| | Buildings* | Plant and equipment | Office equipment | Furniture and fixtures | Computers | Vehicles | | |
| **Cost or deemed cost** | | | | | | | | |
| Balance as at 1 April 2024 | 56.67 | 11.62 | 2.40 | 6.32 | 2.75 | 1.49 | 24.10 | 105.35 |
| Additions | - | 0.20 | 0.01 | 0.06 | 0.23 | - | - | 0.50 |
| Disposals | - | - | - | - | - | - | - | - |
| **Balance as at 31 March 2025** | **56.67** | **11.82** | **2.41** | **6.38** | **2.98** | **1.49** | **24.10** | **105.85** |
| Balance as at 1 April 2025 | 56.67 | 11.82 | 2.41 | 6.38 | 2.98 | 1.49 | 24.10 | 105.85 |
| Additions | - | 0.42 | 0.01 | 0.34 | 0.14 | 2.72 | - | 3.63 |
| Disposals | - | - | - | - | - | - | - | - |
| **Balance as at 31 Mar 2026** | **56.67** | 12.24 | 2.42 | 6.72 | 3.12 | **4.21** | **24.10** | **109.48** |
| **Accumulated depreciation:** | | | | | | | | |
| Balance as at 1 April 2024 | 26.18 | 9.33 | 2.09 | 5.68 | 2.30 | 0.47 | 8.48 | 54.53 |
| Depreciation for the year | 1.42 | 0.56 | 0.10 | 0.20 | 0.36 | 0.16 | 1.84 | 4.64 |
| Disposals | - | - | - | - | - | - | - | - |
| **Balance as at 31 March 2025** | **27.60** | **9.89** | **2.19** | **5.88** | **2.66** | **0.63** | **10.32** | **59.17** |
| Balance as at 1 April 2025 | 27.60 | 9.89 | 2.19 | 5.88 | 2.66 | 0.63 | 10.32 | 59.17 |
| Depreciation for the year | 2.83 | 0.68 | 0.07 | 0.14 | 0.33 | 0.22 | 1.84 | 6.11 |
| Disposals | - | - | - | - | - | - | - | - |
| **Balance as at 31 March 2026** | **30.43** | **10.57** | **2.26** | **6.02** | **2.99** | **0.85** | **12.16** | **65.28** |
| **Carrying amounts (net):** | | | | | | | | |
| **As at 31 March 2025** | **29.07** | **1.93** | **0.22** | **0.50** | **0.32** | **0.86** | **13.78** | **46.68** |
| **As at 31 March 2026** | **26.24** | **1.67** | **0.16** | **0.70** | **0.13** | **3.36** | **11.94** | **44.20** |

*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.

### 4.2 Capital Work in Progress

*₹ in million*

| Particulars | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
|---|---|---|---|---|---|
| Projects in Progress | 1.76 | - | - | - | 1.76 |
| **Total** | **1.76** | - | - | - | **1.76** |

## 5 Intangible assets

*₹ in million*

| Particulars | Software | Total |
|---|---|---|
| **Cost** | | |
| Balance as at 1 April 2024 | 0.36 | **0.36** |
| **Balance as at 31 March 2025** | **0.36** | **0.36** |
| Balance as at 1 April 2025 | 0.36 | 0.36 |
| **Balance as at 31 March 2026** | **0.36** | **0.36** |
| **Accumulated amortisation** | | |
| Balance as at 1 April 2024 | 0.36 | **0.36** |
| **Balance as at 31 March 2025** | **0.36** | **0.36** |
| Balance as at 1 April 2025 | 0.36 | **0.36** |
| **Balance as at 31 March 2026** | **0.36** | **0.36** |
| **Carrying amount:** | | |
| **As at 31 March 2025** | - | - |
| **As at 31 March 2026** | - | - |

## 6 Investments

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| **Investments accounted at cost** | | |
| **Investment in equity instruments** | | |
| **- in subsidiaries** | | |
| 11,223,990 (31 March 2025: 11,223,990) equity shares of Coffee Day Hotels and Resorts Private Limited of ₹ 10 each | 711.68 | 711.68 |
| 4,470,451 (31 March 2025: 4,470,451) equity shares of Tanglin Developments Limited(TDL)* ₹ 10 each | 714.64 | 714.64 |
| 99,023,468 (31 March 2025: 99,023,468) equity shares of Coffee Day Global Limited(CDGL) * ₹ 1 each | 9,017.37 | 9017.37 |
| 30,922,186 (31 March 2025: 30,922,186) equity shares of Coffee Day Trading Limited ₹ 10 | 1,353.72 | 1353.72 |
| 7 (31 March 2025: 07) equity shares of Coffee Day Kabini Resorts Limited ₹ 10 each | - | - |
| **- in joint ventures** | | |
| 1 (31 March 2025: 1) equity shares of Coffee Day Econ Private Limited ₹ 10 each | - | - |
| 1,041,001 (31 March 2025: 10,41,001) equity shares of Coffee Day Consultancy Services Private Limited ₹ 10 each | 10.40 | 10.40 |
| Provision for diminution, other than temporary, in the value of investments** | (7,516.31) | (7,516.30) |
| | **4,291.50** | **4291.51** |

*Change in the percentage of shares held by the Company in its two subsidiaries viz M/s TDL & M/s CDGL as of March 31, 2025 due to invocation of shares pledged to the lenders. The lenders have not made any adjustments to the loan outstanding as the lenders have not realised any amount on invocation of these shares. Since the shares are not listed it is not possible to attribute any value to the invoked shares.

The company has recognised invocation in compliance with IND AS and due to this there is loss of ₹ 1710.65 millions recognised as Net loss on de-recognition of financial assets at amortized cost as of 31st March 2025.

** During the FY 2024-25, the Company has fair valued the investments made in subsidiaries. Based on the fair market valuation by independent registered valuer, the Company has provided(impairment in values) for the investments made in Coffee Day Global Limited to the extent of ₹ 596.47 millions which is shown under exceptional item in profit and loss statement for the year ended 31-03-2025. During the year the Company has fair valued the investments and fair value of the investments valued more than the carrying value, hence No Impairment is required for the same.

During the year ended 31 March 2026, the lender who invoked CDGL shares, has realized proceeds from the sale of CDGL shares that were pledged and invoked in a earlier years. These proceeds, amounting to ₹ 164 million, were adjusted against the outstanding loan of subsidiary Coffee Day Hotels and Resorts Private Limited where the security pledged and have been recognized as an exceptional item in the Statement of Profit and Loss.

| | | |
|---|---|---|
| Aggregate book value of quoted investments | - | - |
| Aggregate market value of quoted investments | - | - |
| Aggregate value of unquoted investments | 11,807.81 | 11,807.81 |
| Aggregate amount of impairment in the value of investments | 7,516.31 | 7,516.30 |

## 7 Loans

### A Non-current loans

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| *Loan receivables considered good - secured* | - | - |
| *Loan receivables which have significant increase in credit risk* | - | - |
| *Loan receivables-credit impaired* | - | - |
| *Loan receivables considered good - unsecured* | - | - |
| Loans and advance to employees considered good- unsecured | 3.00 | 3.00 |
| | **3.00** | **3.00** |

**B Current loans**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| *Loan receivables considered good - secured* | - | - |
| *Loan receivables which have significant increase in credit risk* | - | - |
| *Loan receivables-credit impaired* | - | - |
| *Loan receivables considered good - unsecured* | - | - |
| Loans to employees - unsecured | 3.05 | 0.74 |
| **Loans to related parties** | | |
| Loans subsidiary companies (Refer note 34) | 14,443.80 | 16,302.01 |
| | **14,446.85** | **16,302.75** |

Following are the loans to Related parties which are repayable on demand or without specifying any terms or period of repayment

| Type of Borrower | As at 31 March 2026 | | As at 31 March 2025 | |
|---|---|---|---|---|
| | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans | Amount of loan or advance in the nature of loan outstandin | Percentage to the total Loans and Advances in the nature of loans |
| Promoter | - | | - | |
| Directors | - | | - | |
| KMPs | - | | - | |
| Related Parties | 14,443.80 | 99.96% | 16302.01 | 99.98% |

**8 Other Financial Assets**

**A Other Non Current Financial Assets**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Security deposit | 1.46 | 1.34 |
| | **1.46** | **1.34** |

**B Other Current Financial Assets**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Interest Accrued on FD | - | - |
| Other Receivables | 1.00 | |
| | **1.00** | **-** |

**9 Current Tax assets (Net)**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Advance tax including tax deducted at source | 8.03 | 4.12 |
| Less : Provision for Tax | - | - |
| | **8.03** | **4.12** |

**10 Other Assets**

**A Other non-current assets**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Balance with government authorities | 1.09 | 3.86 |
| Other Receivables * | 53.95 | 54.00 |
| | **55.04** | **57.86** |

* On 19.11.2020, the company and its subsidiary Tanglin Developments Limited has entered into an Agreement to Sell the Shares of Way2Wealth Securities Private Limited including certain Way2Wealth Securities Private Limited subsidiaries to Shriram Ownership Trust. The transaction was set at a Purchase Consideration is ₹ 556.59 millions of which the company's share is ₹ 212.98 millions, which has been fully received by the Company in the financial year 2020-21 except for the withheld consideration of ₹ 7.65 millions. Another ₹ 46.29 Millions is receivable by the Company in form of preceding years Tax refunds and SEBI deposits from the purchaser (Shriram Ownership Trust) which is in form of reimbursement, subject to realisation by the purchaser (Shriram Ownership Trust).

**B Other current assets**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Prepaid expenses | 1.56 | 0.84 |
| | **1.56** | **0.84** |

## 11 Trade receivables

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| *Undisputed Trade receivables considered good - secured* | - | - |
| *Undisputed Trade receivables which have significant increase in credit risk* | - | - |
| *Undisputed Trade receivables credit impaired* | - | - |
| *Undisputed Trade receivables considered good - unsecured* | 0.06 | 1.89 |
| | 0.06 | **1.89** |
| Less then six months | 0.06 | 1.89 |
| | **0.06** | **1.89** |

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

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| *Trade receivables considered good - unsecured* | | |
| Trade receivables from related parties (Refer note 34) | - | - |
| | - | - |

**Trade Receivables ageing schedule**

**For the Year ended 31/03/2026**

| Particulars | Outstanding for following periods from the date of the | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 0.06 | - | - | - | - | 0.06 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |

**For the Year ended 31/03/2025**

| Particulars | Outstanding for following periods from the date of the | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 1.89 | - | - | - | - | 1.89 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |

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

*₹ in million*

| **Particulars** | **As at 31 Mar 2026** | **As at 31 March 2025** |
|---|---|---|
| Balances with banks | | |
| - in current accounts | 49.66 | 88.08 |
| - on deposit accounts (with original maturity of 3 months or less) | 30.05 | 0.00 |
| Cash on hand | 0.10 | 0.26 |
| | **79.81** | **88.34** |

*(This space is intentionally left blank)*

## 13.1 Equity share capital

₹ *in million*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Authorised** | | |
| 270,834,000 (31 March 2025: 270,834,000) equity shares of ₹ 10 each | 2,708.34 | 2,708.34 |
| 3,500,000 (31 March 2025: 3,500,000) compulsorily convertible preference shares of Rs.10 | 35.00 | 35.00 |
| | **2,743.34** | **2,743.34** |
| **Issued, subscribed and fully paid up** | | |
| 211,251,719 (31 March 2025: 211,251,719 ) equity shares of ₹ 10 each | 2,112.52 | 2112.52 |
| | **2,112.52** | **2112.52** |

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

₹ *in million*
*(except share data)*

| | As at 31 March 2026 | | As at 31 March 2025 | |
|---|---|---|---|---|
| | No of shares | Amount | No of shares | Amount |
| Number of shares outstanding at the beginning of the year | 21,12,51,719 | 2,112.52 | 21,12,51,719 | 2,112.52 |
| Add: Shares issued during the year | - | - | - | - |
| **Number of shares outstanding at the end of the year** | **21,12,51,719** | **2,112.52** | **21,12,51,719** | **2,112.52** |

**(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 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 | As at 31 March 2026 | | As at 31 March 2025 | |
|---|---|---|---|---|
| | % of holding | No of shares | % of holding | No of shares |
| **Equity shares** | | | | |
| Mrs. Malavika Hegde | 0.73% | 15,37,402 | 4.73% | 99,91,195 |
| Late Mr. V G Siddhartha | 0.09% | 2,00,000 | 0.75% | 15,74,658 |
| NLS Mauritius LLC | 4.76% | 1,00,61,189 | 6.77% | 1,43,03,535 |

(d) Shareholding of Promoter

**Shares held by promoters at the end of 31 March 2026**

| S. No | Promoter name | Relation | No. of Shares | %of total shares | % Change during the year |
|---|---|---|---|---|---|
| 1 | Late Mr. V G Siddhartha | Promoter | 2,00,000 | 0.09% | -0.66% |
| 2 | Malavika Hegde | Promoter | 15,37,402 | 0.73% | -4.00% |
| 3 | Coffee Day Consolidations Private Limited | Promoter Group | 54,54,823 | 2.58% | 0.00% |
| 4 | Devadarshini Infotechnologies Pvt Ltd | Promoter Group | - | 0.00% | 0.00% |
| 5 | Sivan Securities (P) Ltd | Promoter Group | 3,26,032 | 0.15% | 0.00% |
| 6 | AHIH Resorts And Retreat Private Limited | Promoter Group | 90,32,793 | 4.28% | 4.28% |

## 13.1 Equity share capital

**Shares held by promoters at the end of 31 March 2025**

| S. No | Promoter name | Relation | No. of Shares | %of total shares | % Change during the year |
|---|---|---|---|---|---|
| 1 | Late Mr. V G Siddhartha | Promoter | 15,74,658 | 0.75% | -3.75% |
| 2 | Malavika Hegde | Promoter | 99,91,195 | 4.73% | 3.76% |
| 3 | Coffee Day Consolidations Private Limited | Promoter Group | 54,54,823 | 2.58% | 0.00% |
| 4 | Devadarshini Infotechnologies Pvt Ltd | Promoter Group | - | 0.00% | 0.00% |
| 5 | Sivan Securities (P) Ltd | Promoter Group | 3,26,032 | 0.15% | 0.00% |

## 13.2 Other Equity

*₹ in million*

| | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Securities Premium** | | |
| Opening balance | 22,898.84 | 22,898.84 |
| Additions | - | - |
| Deletions | - | - |
| Closing balance | **22,898.84** | **22,898.84** |
| **Debenture redemption reserve** | | |
| Opening balance | 500.00 | 500.00 |
| Additions | - | - |
| Deletions | - | - |
| Closing balance | **500.00** | **500.00** |
| **Retained Earnings** | | |
| Opening Balance | (9,340.28) | (6,917.13) |
| Profit/(loss) during the year | 1,739.27 | (2,415.91) |
| Re-measurements of defined benefit plan | 7.29 | (7.24) |
| Closing balance | **(7,593.72)** | **(9,340.28)** |

**14 Borrowings**

**Current borrowings**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| ***Secured:*** | | |
| **Loan repayable on demand** | | |
| From bank | | |
| - Axis Bank Limited [Refer Note 14(ii)] | - | 1,087.79 |
| ***Secured:*** | | |
| **Debentures [Refer Note 14(i)]** | - | 2,319.17 |
| **Term loans** | | |
| - Rare Asset Reconstruction Limited [Refer Note 14(iii)] | 478.82 | 478.82 |
| Others | 291.00 | 291.00 |
| | **769.82** | **4,176.78** |

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

**Notes:**

**(i) Secured, unlisted , redeemable non-convertible debentures issued to Credit Opportunities II Pte. Ltd. and India Special Situations Scheme I**

Company has entered into settlement agreement with Credit opportunities India Pte Ltd and India Special situations Scheme-I (debenture holders of the company) to settle the loan in three tranches. The Company has paid ₹289 millions on 9 April 2025 as first tranche as agreed in the settlement agreement. The Company has also paid ₹ 823.22 millions on 10 July 2025 as Second tranche and on 9 April 2025 the lender has realised ₹550 million by way of sale of invoked CDGL shares, originally pledged by the company. with this one time settlement the loan is completely settled.

However, the third tranche amounting to ₹ 500 millions is payable on 30 June 2028 upon achievement of the share price milestone or EBITDA milestone as specified in the Settlement Agreement. Since the obligation to pay the third tranche arises only upon occurrence of the specified milestones, the same is treated as contingent payment.

Consequent to the above settlement arrangement, the Company has recognised a gain of ₹ 785.56 million on settlement of the loan liability and ₹ 550 million towards adjustment arising from sale of invoked shares by the lender. The aforesaid amounts have been disclosed as exceptional items in the Statement of Profit and Loss for the year ended 31 March 2026.

**(ii) From Axis Bank Limited**

On 29 December 2025 company has received settlement letter from Axis Bank for settlement their outstanding dues at Rs 700 millions with the settlement terms of Rs 350 millions payable on or before 31 December 2025. Company has paid Rs 350 millions on 29 December 2025 as part of loan settlement and On 4 February 2026 company has paid remaining amount of Rs 350 millions and settled the loan in full and recognised a gain of Rs 354.29 millions as exceptional items during year ended 31 March 2026.

**(iii) From Rare Asset Reconstruction Limited (Rare ARC)-** ₹ 478.82 million [31 March 2025: Principal amount of loan amounting to ₹ 478.82 million including current maturities of long-term borrowings - Secured by

 Aditya Birla Finance Limited assigned its debt as per the provisions of SARFAESI Act, in favour of Rare Asset Reconstruction Limited along with all the underlying securities, rights, title and interest through an Registered Assignment Agreement dated March 31, 2023

 Security
- Pledge of a proportion of the shares of Mindtree Limited (released), Coffee Day Global Limited held by the Company and Sical Logistics Limited (Invoked and Sold) held by its subsidiary
- Personal guarantee of Late Mr. V. G. Siddhartha

 The loan carries an interest rate of 15.00% 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 repayment of the loan has been extended pursuant to the letter dated 24 September 2020 up to 31 March 2021 and During the FY 2021-22,the lender has recalled the entire amount outstanding amount

 The loan has been outstanding for 60 months from the due date

 Due to default in repayment of interest and principal. In view of the loan recall notices, legal disputes and pending onetime settlement with the lenders, the management has not paid interest of ₹ 143.64 millions.

**(iv)** Other current borrowings comprise of amount payable to 1 lender which is due more than 6 years and time barred by limitation

**(v)** The aggregate amount of borrowing secured by personal guarantee of Late Mr. V G Siddhartha amounts to ₹ 930.30 million (31 March 2025: ₹ 4,393.95 million).

**(vi)** On 7 April 2026, the Company made a Disclosure in terms of SEBI circular No. SEBI/HO/CFD/CMD1 /CIR/P /2019/140 for the quarter ended 31 March 2026 regarding the disclosures of defaults on payments of Interest/Repayment of principal amount on loans from Banks/ Financial institutions and unlisted debt securities.

**(vii)** Pursuant to the demise of Mr.V G Siddhartha on 31st July 2019, the lender have not made any changes to the terms with respect to his personal guarantee for the above loans.

**(viii)** The Company has not received balance confirmation in respect of certain lenders. This will be taken care off during one time settlement process.

**15 Lease Liabilities**

**A Non current Lease liabilities**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| - lease liability (Refer Note 32) | 35.66 | 37.81 |
| | **35.66** | **37.81** |

**B Current Lease liabilities**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| - lease liability (Refer Note 32) | 3.04 | 3.28 |
| | **3.04** | **3.28** |

**16 Provision**

**A Non-current provision**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Provision for employee benefits | | |
| - Gratuity [Refer Note 35] | 26.45 | 21.43 |
| | **26.45** | **21.43** |

**B Current provision**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Provision for employee benefits | | |
| - Gratuity [Refer Note 35] | 0.92 | 0.75 |
| | **0.92** | **0.75** |

**17 Trade payables**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Total outstanding dues to micro enterprises and small enterprises | 0.13 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 7.80 | 4.45 |
| | **7.93** | **4.45** |

All trade payables are current

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 36.

**Micro, Small and Medium Enterprises**

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | | |
| (a) (i) Principal | 0.13 | - |
| (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 amount 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 | - | - |

**Trade payables Aging Schedule (Current Year)**

| Particulars | Outstanding for following periods from the date of the transaction | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 0.13 | - | - | - | 0.13 |
| (ii) Others | 7.80 | - | - | - | 7.80 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv)Disputed dues - Others | - | - | - | - | - |

**Trade payables Aging Schedule (Previous Year)**

| Particulars | Outstanding for following periods from the date of the transaction | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 4.45 | - | - | - | 4.45 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv)Disputed dues - Others | - | - | - | - | - |

## 18 Other financial liabilities

**Other Current financial liabilities**

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Others | | |
| - accrued salaries and benefits | 4.46 | 4.35 |
| - accrued Interest on loans | 160.48 | 217.17 |
| - provision for expenses | 3.55 | 58.69 |
| | **168.49** | **280.21** |

## 19 Other current liabilities

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Statutory dues | 2.34 | 1.92 |
| Others | | |
| - Advance from customers | 1.98 | 5.92 |
| - other payables | - | 94.70 |
| | **4.32** | **102.54** |

## 20 Revenue from operations

*₹ in million*

| Particulars | For the year ended 31 Mar 2026 | For the year ended 31 March 2025 |
|---|---|---|
| **Sale of products** | | |
| - Sale of food, beverages and other items | 52.90 | 53.82 |
| - Sale of merchandise items | 0.78 | 0.75 |
| **Sale of services** | | |
| - Income from hospitality services | 179.03 | 184.03 |
| Less: goods and service tax | (35.00) | (35.98) |
| | **197.71** | **202.62** |

## 21 Other income

*₹ in million*

| Particulars | For the year ended 31 Mar 2026 | For the year ended 31 March 2025 |
|---|---|---|
| - Interest on income tax refund | 0.20 | 54.45 |
| - Interest Income | 1.62 | |
| - Miscellaneous income | - | 0.50 |
| - Expenses Written back [Refer Note No 29] | 53.22 | - |
| | **55.04** | **54.95** |

## 22 Employee benefits expense

*₹ in million*

| Particulars | For the year ended 31 Mar 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Salaries and wages | 80.71 | 75.15 |
| Contribution to provident and other funds | 3.82 | 3.56 |
| Staff welfare expenses | 0.51 | 0.38 |
| | **85.04** | **79.09** |

## 23 Finance costs

*₹ in million*

| Particulars | For the year ended 31 Mar 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Interest expense on loans and debentures | 121.38 | 145.42 |
| Other charges | 1.23 | 0.53 |
| | **122.61** | **145.95** |

## 24 Depreciation and amortization expense

*₹ in million*

| Particulars | For the year ended 31 Mar 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Depreciation of property, plant and equipment (Refer note 4.1) | 4.27 | 2.80 |
| Amortization of Right of Use of Asset (Ind AS 116)(refer note 4.1) | 1.84 | 1.84 |
| | **6.11** | **4.64** |

## 25 Other expenses

*₹ in million*

| **Particulars** | **For the year ended 31 Mar 2026** | **For the year ended 31 March 2025** |
|---|---|---|
| Legal and professional fees | 66.98 | 60.93 |
| Food, beverages and other consumables | 15.32 | 15.52 |
| Rates and taxes | 12.91 | 18.50 |
| Power and fuel | 6.30 | 7.28 |
| Rent (Refer note 32) | 0.71 | 0.86 |
| Advertisement expenses | 12.03 | 12.74 |
| Director sitting fee | 4.60 | 2.70 |
| Repairs and maintenance | | |
| - Others | 11.01 | 10.24 |
| - Machinery | 2.45 | 2.10 |
| - Buildings | 2.04 | 1.29 |
| Travelling and conveyance | 2.99 | 2.21 |
| Insurance | 1.23 | 0.97 |
| Communication expenses | 0.13 | 0.14 |
| Printing and stationery | 0.46 | 0.42 |
| Freight and handling charges | 0.31 | 0.33 |
| Miscellaneous expenses | 0.40 | 0.45 |
| | **139.87** | **136.68** |

## 26 Exceptional Items

*₹ in million*

| **Particulars** | **For the year ended 31 Mar 2026** | **For the year ended 31 March 2025** |
|---|---|---|
| Gain of Settlement of Loans (Refer note 14(i) & (ii)) | 1,139.85 | - |
| Gain on proceeds from invoked shares, derecognised in earlier years, adjusted against outstanding borrowings. (Refer note 6 & 14(i)) | 714.00 | - |
| One time expense on Implemantion of Social security code, 2020 (Gratuity past service cost (Refer note 35B) | (13.70) | - |
| Loss on Impairment of investments (Refer note 6) | - | (596.47) |
| | **1,840.15** | **(596.47)** |

## 27 Income tax

### (a) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

*₹ in million*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Profit /(Loss) before tax | 1,739.27 | (2,415.91) |
| **Estimated tax at Indian tax rate of 25.17% (31 March 2026: 25.17%)** | 258.06 | (608.08) |
| **Impact of Capital gain tax @14.30%** | 70.44 | - |
| Relating to origination and reversal of temporary differences | 1.30 | 0.51 |
| Losses on which no deferred tax is created | - | 607.57 |
| Tax Effect of Brought Forward Losses Utilised during the year | (329.80) | - |
| Effect of | | |
| Adjustment in respect of income tax of previous years | - | - |
| **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:

*₹ in million*

| Particulars | As at 31 Mar 2026 | As at 31 March 2025 |
|---|---|---|
| Carry forward of business losses* | 1,393.19 | 2,430.69 |
| Potential tax benefit @ 25.17% (31 March 2025: 25.17%) | 350.67 | 611.80 |
| Carry forward of capital losses | 489.11 | 1,052.64 |
| Potential tax benefit @ 14.30% (31 March 2025: 14.30%) | 69.94 | 150.53 |
| Carry forward of unabsorbed depreciation | 18.63 | 18.63 |
| Potential tax benefit @ 25.17% (31 March 2025: 25.17%) | 4.69 | 4.69 |

*The business losses expire in 2025-30.

**28 Contingent liabilities, commitments and contingent assets**

*₹ in million*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Contingent liabilities:** | | |
| Claims against the company not acknowledged as debt in respect to income tax | - | - |
| Investments pledged for loan taken by a subsidiary (refer notes v) | - | - |
| **Commitments:** | | |
| Other commitments towards advertisement contract entered by the Company | | - |

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) The company has received the demand of ₹ 56.93 million in respect of AY 2011-12 pursuant to the re-assessment u/s 143(3) rws 147. the company had filed appeal in CIT (Appeals)for the above said order and the same disposed in company favor on 22.02.2024. Income Tax Department went for an appeal before ITAT against the order passed by CIT(Appeals). ITAT has allowed the appeal filed by the company in FY 2024-25
iv) The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act, 1952. However, considering that there are numerous interpretative issues relating to this judgement and in the absence of reliable measurement of the provision for the earlier periods, the Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Company does not expect any material impact of the same.
(v) The Company has pledged its investments in subsidiaries for the loans availed by its subsidiaries. All the shares pledged are invoked by the lenders and the effect to the invocation has already been given in the financial statements. Refer note 6.

**29** During the year, the Company entered into a settlement with Kotak Mahindra Capital Company in respect of outstanding dues amounting to ₹554.14 millions. Pursuant to the settlement, an amount of ₹0.25 crores was paid in full and final settlement of the liability. Consequently, the balance amount of ₹553.89 millions, being no longer payable by the Company, has been written back and recognised under Other Income in the Statement of Profit and Loss.

**30 Auditor's remuneration (included in legal and professional fees and excludes GST)**

*₹ in million*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| As auditor | | |
| - for statutory audit | 3.08 | 2.50 |
| - limited reviews | 1.97 | 1.60 |
| Reimbursement of expenses | 0.15 | 0.12 |
| | **5.20** | **4.22** |

**31 Earnings per share**

**(i) Profit / (Loss) attributable to equity shareholders (basic and diluted):**

*₹ in million*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| **Proft/(Loss) for the year, attributable to the equity holders** | 1,739.27 | (2,415.91) |

**(ii) Weighted average number of equity shares (basic and diluted):**

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Number of equity shares at the beginning of the year (Refer note 13.1) | 21,12,51,719 | 21,12,51,719 |
| Add: Weighted average number of equity shares issued during the year | - | - |
| **Number of weighted average equity shares considered for calculation of basic earnings** | **21,12,51,719** | **21,12,51,719** |

**(iii) Profit/(Loss) per share :**

| | | |
|---|---|---|
| - Basic | 8.23 | (11.44) |
| - Diluted | 8.23 | (11.44) |

**32 Leases**

Effective April 1,2019, the company adopted Ind AS 116 "Leases" and applied to all lease contracts existing on April 1,2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

Consequently, the company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

The company's lease assets primarily consists of leases for land and buildings. The company has recognised right-of-use assets and lease liability in respect of these leases on adoption of Ind AS 116. The lease liability is secured by the respective security deposits. The lease liability terms varies between 2 to 20 years, and are payable in monthly instalments.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 12.50%.

**Effects on adoption of Ind AS 116:**
i) On transition, the adoption of the new standard resulted in recognition of 'Right of Use asset' of ₹ 22.42 million, and a lease liability of ₹ 45.34 millions. The cumulative effect of applying the standard of was adjusted with opening balance of retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS116 will result in decrease in cash out flows from operating activities and an increase in cash out flows from financing activities on account of lease payments.
ii) On pre-mature termination of lease contract the related right-of-use asset and lease liability is de-recognised and the differential amount is recognised in profit and loss account.
iii) Rental expenses recognised in Profit & Loss statement, in respect of low value leases and short term leases, for which Ind AS 116 has not been applied, is ₹ 0.71 million (Previous year ₹ 0.86 million)

The following is the movement in lease liabilities during the year ended 31 March 2026

*₹ in million*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Balance at the beginning of the year | 41.09 | 42.88 |
| Finance cost accrued during the period | 5.01 | 5.27 |
| Payment of Lease liabilities | (7.40) | (7.06) |
| **Balance at the end of the year** | **38.70** | **41.09** |

**The following is the break-up of current and non-current lease liabilities as at 31 March 2026**

*₹ in million*

| Particulars | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|
| Current Lease Liability | 3.04 | 3.28 |
| Non Current Lease Liability | 35.66 | 37.81 |
| **Total** | **38.70** | **41.09** |

**The table below provides the details of minimum lease payments and their present values:**

| Particulars | For the year ended 31 March 2026 | |
|---|---|---|
| | Minimum lease payments | Net present value |
| Not later than 1 year | 7.77 | 3.04 |
| Later than 1 year and not later than 5 years | 45.08 | 34.69 |
| More than 5 years | 5.08 | 0.97 |

**33 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 statements.

## 34 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 -
- Mrs. Malavika Hegde
- Mr. Sadananda Poojary
- Mr. R. Ram Mohan

The non executive directors on the Board of the Company are -
- Mr. Mohan Raghavendra Kondi
- Mrs. C H Vasudharadevi
- Dr. I.R Ravish
- Mr. B Chandrashekar Rao from 29 Jan 2025
-Mrs. Sowrabhi Ramadas from 17 Mar 2025

**C. The aggregate 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:**

*₹ in million*

| Particulars | For the year ended | For the year ended 31 March 2025 |
|---|---|---|
| **Significant transactions with entities where control exists -** | | |
| **Services rendered (Income from hospitality):** | | |
| - Karnataka Wildlife Resorts Private Limited | 0.00 | 12.34 |
| - AC & C Hospitality Resorts LLP - Bandipur | 32.67 | 18.79 |
| **Professional Fee Paid:** | | |
| - Coffee Day Hotels & Resorts Pvt Ltd | 7.52 | 8.48 |
| **Loan given** | | |
| - Tanglin Developments Limited | - | 115.00 |
| - Coffee Day Hotels and Resorts Private Limited | 164.00 | - |
| - Coffee Day Global Limited* | 1,000.00 | - |
| **Interest Received from Subsidiaries** | | |
| - Coffee Day Global Limited | 1.29 | - |
| **Reimbursement of Expenses incurred by the company on behalf of :** | | |
| - Tanglin Developments Limited | - | 0.02 |
| - Coffee Day Global Limited | - | 1.10 |
| - Karnataka Wildlife Resorts Pvt Ltd | - | 0.03 |
| **Purchase of consumables:** | | |
| - Coffee Day Global Limited | 0.19 | 0.15 |
| **Loans recovered from:** | | |
| - Tanglin Developments Limited * | 2,970.38 | 0.49 |
| - Coffee Day Global Limited | 50.00 | - |
| **Loans Repaid to:** | | |
| - Coffee Day Global Limited | 94.70 | |
| **Reimbursement of Expenses (Receipts) :** | | |
| - Karnataka Wildlife Resorts Pvt Ltd | - | 3.58 |
| **Other advance received** | | |
| - Coffee Day Global Limited | - | 72.42 |

* ₹ 900 million assigned from Tanglin Developments Limited to Coffee Day Global Limited

**D. The following is a summary of balances receivable from and payable to related parties:**

*₹ in million*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Long-term loans and advances recoverable:*** | | |
| **From Subsidiaries** | | |
| -Tanglin Developments Limited | 13,166.82 | 16,137.17 |
| - Coffee Day Hotels and Resorts Private Limited | 173.89 | 9.89 |
| - Coffee Day Kabini Resorts Private Limited | 0.01 | 0.01 |
| - Coffee Day Global Limited | 998.17 | 50.00 |
| - Karnataka Wildlife Resorts Pvt Ltd | 104.91 | 104.91 |
| | | |
| **Payable to Subsidiaries** | | |
| - Coffee Day Global Ltd | - | 94.70 |
| **Trade payable:** | | |
| - Coffee Day Global Limited | 0.03 | 0.02 |

*** Details of inter- corporate loans given**

**(a) Terms and conditions on which inter-corporate loans have been given:**

| Party name | Nature of | Interest rate | Repayment terms | Purpose |
|---|---|---|---|---|
| Tanglin Developments Limited | Subsidiary | 0% p.a* | On demand | General |
| Coffee Day Global Limited (₹100 millions) | Subsidiary | 10% p.a | On demand | General |
| Coffee Day Hotels and Resorts Private | Subsidiary | 0% p.a* | On demand | General |
| Karnataka Wildlife Resorts Pvt Ltd | 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 centers. 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 subsidiaries.

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 is secured.

**E. Compensation of key management personnel of the Company:**

*₹ in million*

| Particulars | For the year ended | For the year ended 31 March 2025 |
|---|---|---|
| Short-term employee benefits | 25.72 | 22.86 |
| | 25.72 | 22.86 |

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.

**35 Employee benefits obligations**

**A Defined benefit plan**

The Company has a defined benefit gratuity plan in India, governed by the Social Security Code - 2020 with effect from 21/11/2025 . 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 Wage per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a unfunded plan.

**B Reconciliation of the net defined benefit liability**

**Reconciliation of the projected benefit obligations**

*₹ in million*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Change in projected benefit obligation:** | | |
| Obligations at the beginning of the year | 22.18 | 12.92 |
| Included in profit and loss: | | |
| - Current Service cost | 2.80 | 1.43 |
| - Past service cost | 13.70 | - |
| - Interest cost | 1.11 | 0.91 |
| Included in other comprehensive income: | | |
| - Actuarial (gains)/ losses arising from changes in financial assumptions | (5.32) | 8.70 |
| - Actuarial (gains)/ losses arising from changes in demographic assumptions | - | (0.03) |
| - Actuarial (gains)/ losses arising from experience adjustments | (1.96) | (1.44) |
| Benefits settled | (5.14) | (0.32) |
| Acquisition | - | - |
| **Obligations at year end** | **27.37** | **22.18** |
| **Non current** | **26.45** | **21.43** |
| **Current** | **0.92** | **0.75** |

| | | |
|---|---|---|
| **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 | - | - |
| Contributions | 5.14 | 0.32 |
| Benefits settled | (5.14) | (0.32) |
| **Plans assets at year end, at fair value** | **-** | **-** |
| **Liability recognised in the balance sheet** | **27.37** | **22.18** |

**C Expense recognised in the statement of profit and loss and other comprehensive income:**

*₹ in million*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Gratuity cost for the year** | | |
| **Included in profit and loss:** | | |
| - Current Service cost | 2.80 | 1.43 |
| - Past service cost | 13.70 | |
| - Interest cost | 1.11 | 0.91 |
| **Included in other comprehensive income:** | | |
| - Premeasurement (gains)/ losses in other comprehensive income: | | |
| - Actuarial (gains)/ losses arising from changes in demographic assumptions | - | (0.03) |
| - Actuarial losses/ (gains) arising from changes in financial assumptions | (5.32) | 8.70 |
| - Actuarial gains arising from experience adjustments | (1.96) | (1.44) |
| **Net gratuity cost** | **10.33** | **9.57** |

**D Defined benefit obligation**

| | | |
|---|---|---|
| **(i) Assumptions** | | |
| Interest rate | 7.10% | 6.80% |
| Salary increase | 10.36% | 12.27% |
| Retirement age | 60 years | 60 years |
| Attrition rate | 0-12% based on the age group | 0-12% based on the age group |
| Mortality table | IALM (2012-14) | IALM (2012-14) |

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 are given below.

**(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.

*₹ in million*

| Particulars | For the year ended 31 March 2026 | | For the year ended 31 March 2025 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (0.5% movement) | (26.38) | 28.45 | (20.88) | 23.53 |
| Future salary growth (0.5% movement) | 28.41 | (26.40) | 23.61 | (20.94) |

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.

## 36 Financial instruments - fair values and risk management

### A Accounting classification and fair value

*₹ in million*

| Particulars | Carrying value | Fair value | | | |
|---|---|---|---|---|---|
| | As at 31 March 2026 | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets measured at amortised cost:** | | | | | |
| Loans (current and non current) | 14,449.85 | - | - | - | - |
| Trade receivables | 0.06 | - | - | - | - |
| Cash and cash equivalents | 79.81 | - | - | - | - |
| Bank balances other than cash and cash equivalents | - | - | - | - | - |
| Other financial assets (current and non current) | 2.46 | - | - | - | - |
| **Total** | **14,532.18** | **-** | **-** | **-** | **-** |
| **Financial liabilities measured at amortised cost:** | | | | | |
| Fixed rate borrowings | 769.82 | - | 769.82 | - | 769.82 |
| Interest accrued on fixed rate borrowings | 160.48 | - | 160.48 | - | 160.48 |
| Fluctuating rate borrowings | - | - | - | - | - |
| Trade payables | 7.93 | - | - | - | - |
| Lease Liabilities (Current and non Current) | 38.70 | - | - | - | - |
| Other financial liabilities (current and non current) | 8.01 | - | - | - | - |
| **Total** | **984.94** | **-** | **930.30** | **-** | **930.30** |

The Company has not disclosed the fair values for financial instruments for non current fluctuating rate borrowing, 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 and Ind AS 105, respectively and is hence scoped out under Ind AS 109.

*₹ in million*

| Particulars | Carrying value | Fair value | | | |
|---|---|---|---|---|---|
| | As at 31 March 2025 | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets measured at amortised cost:** | | | | | |
| Loans (current and non current) | 16,305.75 | - | - | - | - |
| Trade receivables | 1.89 | - | - | - | - |
| Cash and cash equivalents | 88.34 | - | - | - | - |
| Bank balances other than cash and cash equivalents | - | - | - | - | - |
| Other financial assets (current and non current) | 1.34 | - | - | - | - |
| **Total** | **16,397.32** | **-** | **-** | **-** | **-** |
| **Financial liabilities measured at amortised cost:** | | | | | |
| Fixed rate borrowings | 3,088.99 | - | 3,088.99 | - | 3,088.99 |
| Interest accrued on fixed rate borrowings | 217.17 | - | 217.17 | | 217.17 |
| Fluctuating rate borrowings | 1,087.79 | - | - | - | - |
| Trade payables | 4.45 | - | - | - | - |
| Lease Liabilities (Current and non Current) | 41.09 | - | - | - | - |
| Other financial liabilities (current and non current) | 63.04 | - | - | - | - |
| **Total** | **4,502.53** | **-** | **3,306.16** | **-** | **3,306.16** |

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.

**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 2026 was assessed to be insignificant.
The following tables show the valuation techniques used in measuring Level 2 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 amortized cost**

| 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**

*₹ 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-26 | Loans | 14,449.85 | 0% | - | 14,449.85 |
| | | | Security deposits | 1.46 | 0% | - | 1.46 |
| Loss allowance measured at 12 month expected credit loss | Financial assets for which credit risk has not increased significantly since initial recognition | 31-Mar-25 | Loans | 16,305.75 | 0% | - | 16,305.75 |
| | | | Security deposits | 1.34 | 0% | - | 1.34 |

**(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.

*₹ in million*

| As at 31 March 2026 | 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 | - | - | - | - | - | - | - |
| Non-convertible redeemable debentures | - | - | - | - | - | - | - |
| Trade payables | 7.93 | 7.93 | 7.93 | - | - | - | - |
| Other financial liabilities | 977.01 | 954.67 | 939.99 | 1.51 | 5.44 | 6.76 | 0.97 |
| | **984.94** | **962.60** | **947.92** | **1.51** | **5.44** | **6.76** | **0.97** |

*₹ in million*

| As at 31 March 2025 | Carrying amount | Total | 6 months or less | 6–12 months | 1–2 years | 2–5 years | More than 5 years |
|---|---|---|---|---|---|---|---|
| Secured bank loans | 1,087.79 | 1,087.79 | 1,087.79 | - | - | - | - |
| Non-convertible redeemable debentures | 2,319.17 | 2,319.17 | 2,319.17 | - | - | - | - |
| Trade payables | 4.45 | 4.45 | 4.45 | - | - | - | - |
| Other financial liabilities | 1,091.12 | 1,069.65 | 1,051.81 | 1.63 | 3.04 | 7.86 | 5.31 |
| | **4,502.53** | **4,481.06** | **4,463.22** | **1.63** | **3.04** | **7.86** | **5.31** |

**(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:

*₹ in million*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Fixed rate instruments** | | |
| Financial liabilities | 930.30 | 3,306.16 |
| **Variable rate instruments** | | |
| Financial liabilities | - | 1,087.79 |

**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 as it is not recognised at fair value.

**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.

*₹ in million*

| Particulars | Impact on profit or loss | |
|---|---|---|
| | **31 March 2026** | **31 March 2025** |
| Interest rates - increases by 100 bps | - | (10.88) |
| Interest rates - decreases by 100 bps | - | 10.88 |

## 37 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, trade payables and other liabilities less cash and cash equivalents. Equity comprises all components of equity. The Company's net debt to equity ratio at 31 March 2026 was as follows.

*₹ in million*

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Borrowings and other Financial Liabilities | 938.31 | 4,456.99 |
| Other payables | - | - |
| Less: cash and cash equivalents | 79.81 | 88.34 |
| **Net debt** | **858.50** | **4,368.65** |
| Equity and reserves | 17,917.64 | 16,171.08 |
| **Total equity** | **17,917.64** | **16,171.08** |
| **Net debt to equity ratio** | **0.05** | **0.27** |

## 38 Reconciliation of movements of liabilities to cash flows arising from financing activities

| Particulars | Liability |
|---|---|
| | **Loans** |
| **Balance as at 31 March 2025** | 4,393.95 |
| Repayment of long term and short term borrowings | (1,845.90) |
| Gain on Loan settlement | (1,139.57) |
| Closure of Loan towards Sale of Securities Pledged | (550.00) |
| **Total changes from financing activities** | **858.48** |
| **Other changes:-** | |
| **Liability-related** | |
| Interest expense | 71.82 |
| **Balance as at 31 March 2026** | **930.30** |

39 These standalone financial statements for the year ended 31 March 2026 have been prepared on a going concern basis in view of the positive net worth of the Company amounting to ₹ 17,918 million as of 31 March 2026.

## Additional Regulatory Information Required under Division II to Schedule III of the Companies Act 2013

| Sl.No | Disclosure requirement as per Amended Schedule III | Remarks for Non Disclosure (If any) |
|---|---|---|
| 1 | Title deeds of Immovable Property not held in name of the | The Company does not have any immovable properties which are not held in its Own name, Hence disclosure under this clause is not applicable |
| 2 | Revaluation of Property , Plant & Equipment | The Company has not revalued Property, Plant & Equipment, Hence disclosure under this clause is not applicable |
| 3 | Revaluation of Intangible Assets | The Company has not revalued Intangible Assets, Hence disclosure under this clause is not applicable |
| 4 | Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties | Refer Note No 7-B |
| 5 | Capital-Work-in Progress (CWIP) | Refer Note 4.2 |
| 6 | Intangible assets under development | Nil |
| 7 | Details of Benami Property held | The Company has no Benami Property |
| 8 | Borrowings from banks or financial institutions on the basis of security of current assets | The Company has no Borrowings from Banks or Financial institutions secured against Current Assets, Hence disclosure under this clause is not applicable |
| 9 | Wilful Defaulter | The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender, Hence disclosure under this clause is not applicable |
| 10 | Relationship with Struck off Companies | The Company has no Transactions with Struck off Companies |
| 11 | Registration of charges or satisfaction with Registrar of Companies (ROC) | The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period, Hence the disclosure under this clause is not applicable. |
| 12 | Compliance with number of layers of companies | The Company has complied with the no of layers of companies as per Companies Act, 2013 |
| 13 | Analytical Ratios | Refer Note No 41 |
| 14 | Compliance with approved Scheme(s) of Arrangements | The Company has no Scheme of Amalgamations approved or pending for approval by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013. |
| 15 | Utilisation of Borrowed funds and share premium | (a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;<br><br>(b) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like |
| 16 | Undisclosed income | Nil |
| 17 | Corporate Social Responsibility (CSR) | The Company is not required to Contribute under Provisions of u/s 135 (CSR) of the Companies Act 2013, Hence disclosure under this clause is not applicable |
| 18 | Details of Crypto Currency or Virtual Currency | The Company has not Traded or invested in cryto currency or virtual currency, Hence disclosure under this clause is not applicable |

**40** SEBI issued an order dated January 24, 2023 directing CDEL in the matter of transfer of funds by Subsidiaries of the Company to Mysore Amalgamated Coffee Estates Limited to take all the necessary steps for recovery of entire dues from MACEL and its related entities along with due interest, that are outstanding to the subsidiaries of CDEL. Further, SEBI has directed the Company to appoint an Independent Law firm in consultation with NSE within 60 days of this order, to take effective steps for recovery of dues and imposed a penalty of ₹ 250 million under section 15HA and ₹ 10 million under section 15HB of the SEBI Act, 1992.

Thereafter, the company appealed the above order dated 24th January 2023 to the Hon'ble Securities Appellate Tribunal (SAT). However, the SAT granted stay on imposition of penalty.

As per the instructions of NSE the Company appointed Independent Law Firm Crest Law on 3rd April 2023 to take effective steps for recovery of dues from MACEL. Subsidiaries of the Company has initiated arbitration proceedings against MACEL. In this regard the subsidiaries of the company has filed claim statement as part of arbitration proceedings.

**41 Key Financial Ratios**

| Particulars | Numerator/denominator | 31/03/26 | 31/03/25 | % Change |
|---|---|---|---|---|
| Current Ratio (Note 1) | Current Assets/Current Liabilities | 15.23 | 3.59 | 324.23% |
| Debt-Equity Ratio (Note 1) | Total Debt/Shareholder's Equity | 0.05 | 0.27 | -81.48% |
| Debt Service Coverage Ratio (Note3) | Earnings available for debt service/Debt Service | 0.99 | (26.58) | -103.72% |
| Return on Equity Ratio | (Net Profits after taxes – Preference Dividend)/Average Shareholder's Equity | 10.20% | -13.90% | 24.10% |
| Inventory turnover ratio | Cost of goods sold OR sales/Average Inventory | NA | NA | NA |
| Trade Receivables turnover ratio (Note 2) | Net Credit Sales/Average Accounts Receivable | 202.78 | 92.52 | 119.17% |
| Trade payables turnover ratio | Net Credit Purchases/Average Trade Payables | 2.50 | 2.64 | -5.30% |
| Net capital turnover ratio (Note 1) | Net Sales/Working Capital | 0.01 | 0.02 | -50.00% |
| Net profit ratio (Note 3) | Net Profit/Net Sales | 688% | -938% | 1626.00% |
| Return on Capital employed (Note 3) | Earning before interest and taxes/Capital Employed | 59.75% | -38.09% | 97.84% |
| Return on investment* | Income Generated from Investments/Time weighted average investments | 0.00% | 0.00% | 0.00% |

1) Current Ratio, Debt-Equity Ratio and Net Capital Turnover Ratio has changed mainly due to repayment of current borrowings
2) Trade Receivables Turnover Ratio has increased mainly due to average trade receivables has reduced compared to previous year
3) Debt Service Coverage Ratio, Net Profit Ratio and Return on Capital Employed has increased mainly due to increase in the profit compared to previous year majorly on account of loan settlement gains disclosed under Exceptional items
*There is no return from investments during the year and previous year

As per our report of even date attached

*for* **Venkatesh & Co**
*Chartered Accountants*
Firm registration number: 004636S

*-Sd-*
**CA Hrishikesh D**
*Partner*
Membership no.: 272865
Place: Bangalore
Date: May 27, 2026

UDIN: 26272865MVULRD2649

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

*-Sd-*
**Malavika Hegde**
*CEO & Whole-time Director*
DIN: 00136524

*-Sd-*
**Dr. I.R Ravish**
*Director*
DIN: 09180669

*-Sd-*
**R Ram Mohan**
*Chief Financial Officer*
M.No.019290
Place: Bangalore
Date: May 27, 2026

*-Sd-*
**Sadananda Poojary**
*Company Secretary*
M.No.5223
Place: Bangalore
Date: May 27, 2026

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – *(Standalone)***

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31st March2026**

[*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

*(Amount in INR Millions)*

| I. | Sl. No. | Particulars | Audited Figures (as reported before adjusting for qualifications) | Adjusted Figures (audited figures after adjusting for qualifications) |
|---|---|---|---|---|
| | 1. | Turnover / Total income | 252.75 | Not ascertainable |
| | 2. | Total Expenditure | 353.63 | |
| | 3. | Net Profit/(loss) before exceptional items | (100.88) | |
| | 4. | Exceptional items | 1,840.15 | |
| | 5. | Net Profit/(loss) | 1,739.27 | |
| | 6. | Earnings Per Share | 8.23 | |
| | 7. | Total Assets | 18,934.27 | |
| | 8. | Total Liabilities | 1,016.63 | |
| | 9. | Net Worth | 17,917.64 | |
| | 10. | Any other financial item(s) (as felt appropriate by the management) | | |

**II Audit Qualification (each audit qualification separately):**

**A. Recoverability of dues from Group Companies**

1. Details of Audit Qualification:
   We have not been provided with sufficient evidence with respect to recoverability of dues from group companies amounting to INR 1,444.49 Crores given in the earlier years stated to be recoverable by the Management (as detailed in Note 7 of the Statement). In the absence of sufficient appropriate audit evidence on the recoverability of these loans, we are unable to comment on the realisability of the stated advances from group companies and the impact on the standalone financial results.
2. Type of Audit Qualification: Disclaimer of Opinion
3. Frequency of qualification: Seventh time
4. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not ascertainable since it's a disclaimer of conclusion
5. For Audit Qualification(s) where the impact is not quantified by the auditor:

i. Management's estimation on the impact of audit qualification: Not ascertainable

ii. If management is unable to estimate the impact, reasons for the same: The company is confident to collect the dues from group companies on realization of receivables by the group

| |
|---|
| companies. During the year company has made recoveries from subsidiaries and repaid to the lenders of the company. |
| Auditors' Comments on (i) or (ii) above: As we have not been provided with the details of consequential actions, we are unable to ascertain the impact of the same on the financial statements. |
| |
| **B. Default in repayment of debt and interest due, Non -Compliance with debt Covenants and No Confirmation of balances for Borrowings**<br>1. Details of Audit Qualification:<br>Attention is drawn to Note No. 6,8 and 11 of the Statement, wherein instances of non-compliance with certain debt covenants including interest & principal repayment defaults have been described. We also draw attention to the fact that the Company has not obtained the balance confirmations on loans from two lenders amounting to Rs. 76.98 crores. In the absence of adequate and sufficient audit evidence to establish the amounts payable to the lenders, we are unable to provide our opinion on the correctness of these amounts reflected in the standalone financial results. |
| 2. Type of Audit Qualification: Disclaimer of Opinion |
| 3. Frequency of qualification: Seventh time |
| 4. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not ascertainable since it's a disclaimer of conclusion |
| 5. For Audit Qualification(s) where the impact is not quantified by the auditor: |
| i. Management's estimation on the impact of audit qualification: Not ascertainable |
| ii. If management is unable to estimate the impact, reasons for the same: Management is following up with lenders to get the balance confirmations. This will be taken care of during one time settlement process. |
| iii. Auditors' Comments on (i) or (ii) above:<br>Matter Disclaimed in the audit report. In view of the above comment from the Management and the unavailability of the required details, the impact is unascertainable. |

**C. Going Concern Assumption**

1. Details of Audit Qualification:

The Result has been prepared by the Management and Board of Directors using the going concern assumption (Refer Note 9 of the Statement). The matters detailed in the above paragraphs may have a consequential implication on the Company's ability to continue as a going concern. We are therefore unable to comment on whether the going concern basis for preparation of the Standalone Financial Results is appropriate.

2. Type of Audit Qualification : Disclaimer of Opinion

3. Frequency of qualification: Seventh time

4. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not ascertainable since it's a disclaimer of conclusion

5. For Audit Qualification(s) where the impact is not quantified by the auditor:

   i. Management's estimation on the impact of audit qualification: Not ascertainable

   ii. If management is unable to estimate the impact, reasons for the same: These standalone financial results for the quarter and year ended 31 March 2026 have been prepared on a going concern basis in view of the positive net worth of the Company amounting to Rs. 17,917.64 million as of 31 March 2026. Company has repaid its major lenders during the year.

   iii. Auditors' Comments on (i) or (ii) above: The recoverability of the dues from the subsidiaries and the realizability of the investment in subsidiary companies have not been established with evidence by the management and any shortfall in realization would affect the net worth of the holding company and thereby affecting its ability to continue as a going concern.

**III Signatories:**

| |
|---|
| ***-Sd-*** <br> **CEO** |
| ***-Sd-*** <br> **CFO** |
| ***-Sd-*** <br> **Audit Committee Chairman** |
| ***-Sd-*** <br> **Statutory Auditor** |
| Place: Bangalore <br> Date: 27 May 2026 |

## Explanatory Notes to the Statement of Standalone Financial Results for the Year Ended 31 March 2026

1 The Statement of audited standalone financial results ('the Statement') of Coffee Day Enterprises Limited ('the Company') for the quarter and year ended 31 March 2026 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors in the meeting held on 27 May 2026. The Statutory Auditors have issued disclaimer of opinion in respect of the Statement being filed with Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and is also available on the Company's website www.coffeeday.com. Pursuant to the provisions of Listing Agreement, the Management has decided to publish unaudited financial results in the newspapers.

2 These financial results have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) as amended from time to time and other accounting principles generally accepted and in terms of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

3 The figures for the quarter ended 31 March 2026 and corresponding quarter ended in previous year are the balancing figures between the audited figures in respect of the full year and the published year to date figures upto the end of third quarter of the relevant financial year. Also, the figures upto the end of third quarter has only been reviewed and not subjected to audit.

4 In accordance with Ind AS 108, "Operating segments", segment information has been provided in the consolidated financial results of the Company and therefore no separate disclosure on segment information is presented in the standalone financial results.

5 During the year FY 2024-25, Company has fair valued the investments made in subsidiaries. Based on the fair market valuation by independent registered valuer, the Company has provided(impairment in values) for the investments made in Coffee Day Global Limited to the extent of ₹ 596.47 millions .

The above has resulted in one time loss of ₹ 596.47 million which is shown under exceptional item in profit and loss statement for the year ended 31-03-2025.

6 On 7 April 2026, the Company made a Disclosure in terms of SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 for the quarter ended 31 March 2026 regarding the disclosures of defaults on payments of Interest/Repayment of principal amount on loans from Banks/ Financial institutions and unlisted debt securities.

7 The Company has given interest free advances of ₹ 14,444 million to its subsidiaries which is repayable on demand. The Company is confident that the loan will be repaid by the subsidiary in the due course and hence, the loss allowance as per Ind AS 109 Financial Instruments has been estimated by the Management to be Rs. Nil.

8 The Company has borrowings outstanding amounting to ₹ 930 million as at 31 March 2026. There have been certain covenant breaches with respect to borrowings taken by the Company from various lenders. Such covenant breaches entitle the lenders to recall the loan. Some of the lenders have exercised their right to recall the loan and On 7 September 2023, one of the lenders of the company has filed an application with NCLT, Bangalore for recovery of its dues and NCLT, Bangalore vide order dated 8 August 2024 has admitted the company to Corporate Insolvency Resolution Process(CIRP). The Company has appealed against the NCLT, Bangalore order dated 8 August 2024 before NCLAT, Chennai and NCLAT, Chennai vide its order dated 14 August 2024, has stayed the operation of the impugned order passed by NCLT, Bangalore. Further, Lender approached Supreme Court, and the matter was listed on 31st January 2025 wherein the Supreme Court has directed the concerned NCLAT, Chennai to dispose of the appeal pending before it on or before 21.02.2025. In the event the appeal is not disposed of by then, the impugned order passed by the Appellate Tribunal shall stand vacated automatically. On 27.02.2025 NCLAT has allowed the appeal filed by the company.

**Explanatory Notes to the Statement of Standalone Financial Results for the Year Ended 31 March 2026**

Company has entered into settlement agreement with Credit opportunities India Pte Ltd and India Special situations Scheme-I (debenture holders of the company) to settle the loan in three tranches. The Company has paid ₹ 289 millions on 9 April 2025 as first tranche as agreed in the settlement agreement. The Company has also paid ₹ 823.21 millions on 10 July 2025 as Second tranche and the lender has realised ₹ 550 millions by way of sale of invoked shares, originally pledged by the company. With this one time settlement the loan is completely settled.
However, the third tranche amounting to ₹500 millions is payable on 30 June 2028 upon achievement of the share price milestone or EBITDA milestone as specified in the Settlement Agreement. Since the obligation to pay the third tranche arises only upon occurrence of the specified milestones, the same has been disclosed as a contingent liability.
Consequent to the above settlement arrangement, the Company has recognised a gain of ₹785.5 million on settlement of the loan liability and ₹550 million towards adjustment arising from sale of invoked shares by the lender. The aforesaid amounts have been disclosed as exceptional items in the Statement of Profit and Loss for the year ended 31 March 2026.

On 29 Decemebr 2025 company has recevied settlement letter from Axis Bank for settlement their outstanding dues at Rs 700 millions with the settlement terms of Rs 350 millions payable on or before 31 Decemeber 2025. Company has paid Rs 350 millions on 29 Decemebr 2025 as part of loan settlement and recognised a gain of Rs 354.29 millions as exceptional items during the quarter ended 31 December 2025 and year ended 31 March 2026. On 4 February 2026 company has paid remaining amount of Rs 350 millions and settled the loan in full.

9 These standalone financial results for the year ended 31 March 2026 have been prepared on a going concern basis in view of the positive net worth of the Company amounting to ₹ 17,918 million as of 31 March 2026.

10 Change in the percentage of shares held by the Company in its two subsidiaries viz M/s TDL & M/s CDGL as of March 31, 2025 due to invocation of shares pledged to the lenders. The lenders have not made any adjustments to the loan outstanding till March 31, 2025, as the lenders have not realised any amount on invocation of these shares. Since the shares are not listed it is not possible to attribute any value to the invoked shares.

The company has recognised invocation in compliance with IND AS and due to this there is loss of ₹ 1710.65 millions recognised as Net loss on de-recognition of financial assets at amortized cost during the year ended March 31, 2025.

During the year ended 31 March 2026, the lender who invoked CDGL shares, has realized proceeds from the sale of CDGL shares that were pledged and invoked in a earlier years. These proceeds, amounting to ₹ 164 million, were adjusted against the outstanding loan of subsidiary Coffee Day Hotels and Resorts Private Limited where the security pledged and have been recognized as an exceptional item in the Statement of Profit and Loss.

11 The Company has not received balance confirmation in respect of certain lenders. Management is making an efforts to get the balance confirmations from the lenders.

12 SEBI issued an order dated January 24, 2023 directing CDEL in the matter of transfer of funds by Subsidiaries of the Company to Mysore Amalgamated Coffee Estates Limited to take all the necessary steps for recovery of entire dues from MACEL and its related entities along with due interest, that are outstanding to the subsidiaries of CDEL. Further, SEBI has directed the Company to appoint an Independent Law firm in consultation with NSE within 60 days of this order, to take effective steps for recovery of dues and imposed a penalty of ₹ 250 millions under section 15HA and ₹ 10 millions under section 15HB of the SEBI Act, 1992.

Thereafter, the company appealed the above order dated 24th January 2023 to the Hon'ble Securities Appellate Tribunal (SAT). However, the SAT granted stay on imposition of penalty.

As per the instructions of NSE the Company appointed Independent Law Firm Crest Law on 3rd April 2023 to take effective steps for recovery of dues from MACEL. Company has initiated arbitration proceedings against MACEL as suggested by Crest Law in consultation with NSE. In this regard the subsidiaries of the company has filed claim statement as part of arbitration proceedings.

**Explanatory Notes to the Statement of Standalone Financial Results for the Year Ended 31 March 2026**

13 Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely. The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the "New Labour Codes'. The New Labour Codes has resulted in a one-time material increase in provision for employee benefits on account of recognition of past service costs. Based on the requirements of New Labour Codes and the ICAl clarification, the Company has assessed and accounted the estimated incremental impact of Rs.13.70 millions as Exceptional Items in the Finacial Results for the quarter ended December 31, 2025 and year ended March 31, 2026.

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

*-Sd-*
**Malavika Hegde**
**CEO and Whole Time Director**
Place: Bangalore
Date: 27 May 2026

# COFFEE DAY GLOBAL LIMITED
# CONSOLIDATED FINANCIAL STATEMENTS

1. Independent Auditors Report
2. Financial Statements

## INDEPENDENT AUDITOR'S REPORT

To the members of **Coffee Day Global Limited**

Report on the audit of the Consolidated Financial Statements

**Disclaimer of Opinion**

We were engaged to audit the accompanying Consolidated Financial Statements of Coffee Day Global Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as 'the Group'), its joint ventures, which comprise the consolidated balance sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

We do not express an opinion on the accompanying consolidated financial statements of the group, because of the significance of the matter described in the Basis of Disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

**Basis for Disclaimer of Opinion**

**1.** We draw attention to Note No.34 of the Consolidated Financial Statements which describe the details in respect of amounts due from M/s. Mysore Amalgamated Coffee Estates Limited (MACEL) to the extent of Rs.979.42 Crores. As explained to us, the company is in the process of recovery of the dues from related parties and has taken necessary action as stated in the said notes and further there is no substantial recovery during the year. In the absence of any conclusive evidence demonstrated by the company for recoverability of the same, we are unable to comment on the recoverability, requirement or otherwise of provision on those receivables and consequential impact on these Consolidated financial Statements.

2. We draw attention to Note No.35 of the Consolidated Financial Statements which states that the Company has realigned its debt and interest obligations in accordance with the proposed plan, pursuant to the in-principle approval accorded by all the lenders. Pending final execution we are unable to comment on the completeness of the loan balances and its impact in these Standalone financial statements. The company has not recognized the impact of exchange fluctuation difference for the External commercial borrowings from one lender who are also a part of the proposed restructuring plan. The conversion of the foreign currency loan into rupee loans as well as applicable interest rate of 8.50% is subject to the necessary approval of the Reserve Bank of India.

3. The company has not recognized a financial guarantee to erstwhile co-subsidiary SICAL amounting to Rs. 41.67 Crores, which has been invoked by the lenders. As detailed in Note No.35 of the Consolidated

Financial Statements, due to the proposed restructuring plan with the lender regarding a settlement, we are unable to assess the impact of this matter on the financial statements. Accordingly, the level of compliance with the requirements of the Indian Accounting Standards cannot be ascertained by us.

**Information other than the Consolidated Financial Statements and Auditor's Report thereon**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance opinion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Management's Responsibility for the Consolidated Financial Statements**

These Consolidated Financial Statements have been prepared on the basis of the Consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the state of affairs, profit/loss and 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) specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company 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 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 and of its associates and joint ventures are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures is responsible for overseeing the Company's financial reporting process of each Company.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our responsibility is to conduct an audit of the Consolidated financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Consolidated financial statements.

We are independent in accordance with the ethical requirements in accordance with the Code of ethics and provisions of the Act, that are relevant to our audit of the Consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with the code of ethics and the requirements under the Act.

**Other Matters**

1. We did not audit the financial statements of 1 subsidiaries, 3 joint venture and 1 partnership firm whose financial statements reflect total assets of INR 8.65 Crores as at March 31, 2026, total revenues of INR 9.86 Crores and net cash outflows amounting to INR 0.02 Crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of INR 4.65 Crores for the year ended March 31, 2026. 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 subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

2. The management informed that 1 foreign subsidiary and 2 foreign step-down subsidiaries have been liquidated (Refer to Note No.37(iv) to consolidated financial statements). Consequent to the loss of control, these entities have been deconsolidated from the consolidated financial results and the resultant gain on derecognition has been recognised in the Statement of Profit and Loss.

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 regard 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

As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on consolidated financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements, except for matters stated in Basis for disclaimer opinion section.

b) 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 except for matters stated in the disclaimer of opinion section.

c) The Consolidated Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) The aforesaid Ind AS Consolidated financial statements comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2021 issued thereunder except for matters stated in Basis of disclaimer of opinion section.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary and joint ventures incorporated in India, none of the directors of the group, its associates and joint ventures incorporated in India are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**.

g) With respect to the matter to be included in the Auditor's Report under section 197(16), in our opinion and according to the explanations given to us, the Company has not paid remuneration to its directors during the current year. Hence, we do not comment on the compliance with section 197 of the Companies Act, 2013.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations as at March 31,2026 on its financial position in its Consolidated Financial statements – Refer Note 37 to the Consolidated Financial Statements.

ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested during the year (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company during the year from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year. Hence, we don't comment on the compliance with section 123 of the Companies Act, 2013.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:

Further, for the periods where audit trail (edit log) facility was operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given

to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks. Hence clause 3(xxi) of the order is not applicable.

According to the information and explanations given to us, in respect of the following companies incorporated in India and included in the consolidated financial statements, the CARO report relating to them has not been issued by their auditors till the date of this audit report:

| S.No | Name | CIN | Holding/Subsidiary/ Associate/Joint venture |
|---|---|---|---|
| 1 | Coffee Day Consultancy Services Private Limited | U74999KA2019PTC123085 | Joint Venture |
| 2 | Coffee Day Econ Private Limited | U52609KA2019PTC123086 | Joint Venture |

**For Venkatesh & Co.,**

Chartered Accountants

Firm Registration No: FRN 004636S

***-Sd-***

**CA Hrishikesh D**

Partner

M No: 272865

UDIN : 26272865IOJFPV9841

Bangalore., 27th May 2026

**Annexure A to the Independent Auditors' report on the Consolidated Financial Statements of Coffee Day Global Limited for the year ended March 31, 2026**

Report on the internal financial controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

We were engaged to audit the internal financial controls with reference to Consolidated Financial Statements of the Company as of March 31, 2026, in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

**Disclaimer of Opinion**

Due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" paragraph`, we are unable to obtain sufficient and appropriate evidence to provide a basis for our opinion on whether the Company has adequate internal financial controls over financial reporting with reference to these Ind AS Consolidated Financial Statements as at March 31,2026.

**Basis for Disclaimer of Opinion**

Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph in our main audit report, we are unable to obtain sufficient and appropriate evidence to provide a basis for our opinion on whether the Company has adequate internal financial controls over financial reporting with reference to these Ind AS Consolidated Financial Statements as at March 31,2026 and whether such internal financial controls were operating effectively. Accordingly, we do not express an opinion on the internal financial controls over financial reporting with reference to the Consolidated Financial Statements of the Company.

**Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to Consolidated Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered

Accountants of India. Because of the matter described in Disclaimer of Opinion paragraph above, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

**Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

A company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Consolidated Financial Statements include 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 Consolidated 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 Consolidated Financial Statements.

**Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Venkatesh & Co.,**

Chartered Accountants

Firm Registration No: FRN 004636S

***-Sd-***

**CA Hrishikesh D**

M No: 272865

Partner

UDIN: 26272865IOJFPV9841

Bengaluru., 27 May 2026

**COFFEE DAY GLOBAL LIMITED**
U85110KA1993PLC015001
No. 165, R V Road, (Near Minerva Circle), Bengaluru - 560004.

## Consolidated Balance Sheet as at March 31st, 2026

₹ in Crores

| | Note | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 4 | 141.70 | 204.58 |
| Capital work-in-progress | 4 | 2.77 | 4.76 |
| Right-of-use assets | 5 | 199.52 | 277.94 |
| Other Intangible assets | 6 | 0.07 | 0.15 |
| Financial assets | | | |
| Investments | 7 | 3.16 | - |
| - Other financial assets | 8-A | 35.19 | 71.17 |
| Deferred tax asset (net) | 33-D | 307.95 | 297.53 |
| Other Non Current Assets | 9-A | 3.31 | 4.59 |
| **Total non-current assets** | | **693.68** | **860.72** |
| **Current assets** | | | |
| Inventories | 10 | 37.24 | 37.39 |
| Financial assets | | | |
| - Trade receivables | 11 | 59.54 | 61.75 |
| - Cash and cash equivalents | 12 | 13.69 | 5.26 |
| - Bank balances other than cash and cash equivalent | 13 | 0.78 | 0.74 |
| - Loans | 14 | 0.69 | 5.60 |
| - Other financial assets | 8-B | 991.48 | 1,000.19 |
| Other assets | 9-B | 4.29 | 3.62 |
| Assets held for sale | 24 | 0.00 | 5.55 |
| **Total current assets** | | **1,107.71** | **1,120.08** |
| **Total assets** | | **1,801.39** | **1,980.80** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 16 | 19.15 | 19.15 |
| Other equity | 17 | 441.75 | 433.74 |
| **Total equity** | | **460.90** | **452.90** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| - Borrowings | 18-A | 205.01 | 200.50 |
| - Lease liability | 19-A | 186.32 | 193.62 |
| Provisions | 21-A | 12.31 | 8.22 |
| **Total non-current liabilities** | | **403.64** | **402.35** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| - Borrowings | 18-B | 511.47 | 650.58 |
| - Lease liability | 19-B | 57.86 | 50.43 |
| - Trade payables | 23 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 9.85 | 8.72 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 37.17 | 55.15 |
| - Other financial liabilities | 20 | 276.10 | 305.81 |
| Provisions | 21-B | 17.94 | 19.35 |
| Current tax Liabilities (net) | 15 | 8.71 | 6.51 |
| Other current liabilities | 22 | 17.75 | 20.69 |
| Liabilities associated with assets held for sale | 24 | - | 8.33 |
| **Total current liabilities** | | **936.85** | **1,125.56** |
| **Total liabilities** | | **1,340.49** | **1,527.91** |
| **Total equity and liabilities** | | **1,801.39** | **1,980.80** |
| **Material accounting policies and other notes** | 1 to 52 | | |

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

As per our report of even date attached
**For Venkatesh & Co.,**
Chartered Accountants
Firm Registration No: FRN 004636S

*For* and on behalf of the Board of Directors of
**Coffee Day Global Limited**

**-Sd-**
**CA Hrishikesh D**
Partner
Membership No: 272865

**-Sd-**
**Malavika Hegde**
*Whole Time Director*
DIN: 00136524

**-Sd-**
**K R Mohan**
Director
DIN: 01718628

UDIN : 26272865IOJFPV9841
Place: Bangalore
Date: May 27th, 2026

**-Sd-**
**Jayraj C Hubli**
Chief Financial Officer
M.No.24460

**-Sd-**
**Sadananda Poojary**
Company Secretary
M.No.5223

**COFFEE DAY GLOBAL LIMITED**
U85110KA1993PLC015001
No. 165, R V Road, (Near Minerva Circle), Bengaluru - 560004.

**Consolidated Statement of Profit and Loss for the year ended March 31st, 2026**

*₹ In Crores*

| | Note | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 25 | 1,093.93 | 1,034.63 |
| Other income | 26 | 22.86 | 24.02 |
| **Total income** | | **1,116.79** | **1,058.66** |
| **Expenses** | | | |
| Cost of materials consumed | 27 | 559.59 | 521.88 |
| Employee benefits expense | 29 | 145.06 | 142.51 |
| Finance costs | 30 | 69.08 | 77.43 |
| Depreciation and amortisation expense | 31 | 128.87 | 123.68 |
| Other expenses | 32 | 249.19 | 241.20 |
| **Total expenses** | | **1,151.79** | **1,106.69** |
| **Profit before income tax & Exceptional Item** | | **(35.00)** | **(48.04)** |
| Exception Item | 32C | **35.84** | |
| **Profit Before Tax** | | **0.84** | **(48.04)** |
| Current tax | | - | (4.05) |
| Deferred tax | | (10.42) | 131.94 |
| Income tax expense | 33 | (10.42) | 127.89 |
| **Profit/Loss for the year before loss from joint venture** | | **11.26** | **(175.93)** |
| Share of Profit/loss of joint venture | | **3.16** | - |
| **Profit/Loss for the period** | | **14.43** | **(175.93)** |
| **Other comprehensive income:** | | | |
| **Items that will not be reclassified subsequently to profit or loss:** | | | |
| Remeasurements of defined benefit plan actuarial gains/ (losses) | | (2.27) | 0.27 |
| Income tax relating to items that will not be reclassified to profit or loss | 33 | - | (0.07) |
| Net other comprehensive income not to be reclassified subsequently to profit or loss | | **(2.27)** | **0.20** |
| **Items that will be reclassified subsequently to profit or loss** | | | |
| Foreign currency translation reserve | | - | - |
| Income tax relating to items that will be reclassified to profit or loss | | - | - |
| **Net other comprehensive income to be reclassified subsequently to profit or loss** | | **-** | **-** |
| **Other comprehensive income for the period, net of income tax** | | **(2.27)** | **0.20** |
| **Total comprehensive income for the period** | | **12.16** | **(175.73)** |
| **Profit/ (loss) attributable to:** | | | |
| - Owners of the company | | 14.43 | (175.93) |
| - Non-controlling interests | | - | - |
| **Other comprehensive income attributable to:** | | | |
| - Owners of the company | | (2.27) | 0.20 |
| - Non-controlling interests | | - | - |
| **Total comprehensive income attributable to:** | | | |
| - Owners of the company | | 12.16 | (175.73) |
| - Non-controlling interests | | - | - |
| **Earnings per equity share:** | | | |
| **Equity shares of par value ₹ 1 each** | 38 | | |
| - Basic & Diluted - (₹) | | 0.75 | (9.19) |
| **Material accounting policies and other notes** | 1 to 52 | | |

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

*For* and on behalf of the Board of Directors of
**Coffee Day Global Limited**

**For Venkatesh & Co.,**
Chartered Accountants
~~Firm Registration No: FRN 004636S~~

***-Sd-***
**CA Hrishikesh D**
Partner
Membership No: 272865

***-Sd-***
**Malavika Hegde**
*Whole Time Director*
DIN: 00136524

***-Sd-***
**K R Mohan**
Director
DIN: 01718628

***-Sd-***
**Jayraj C Hubli**
*Chief Financial Officer*
M.No.24460

***-Sd-***
**Sadananda Poojary**
Company Secretary
M.No.5223

UDIN : 26272865IOJFPV9841
Place: Bangalore
Date: May 27th, 2026

**COFFEE DAY GLOBAL LIMITED**

U85110KA1993PLC015001

No. 165, R V Road, (Near Minerva Circle), Bengaluru - 560004.

**Consolidated Statement of Cash Flows for the year ended March 31st, 2026**

*₹ in crore*

| | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit before tax for the period | 0.84 | (48.04) |
| Adjustments: | | |
| - Interest income (including fair value change in financial instruments) | (3.19) | (3.76) |
| - Provision for doubtful deposits | | 0.13 |
| - Provision for doubtful debts | 0.04 | 0.83 |
| - Impairment of Assets held for sale | 14.06 | 2.46 |
| - Gain on termination of Lease Contract | (7.93) | (1.47) |
| Exceptional Items | (35.84) | - |
| - Interest expense (including fair value change in financial instruments) | 69.08 | 77.43 |
| - Depreciation and amortization | 128.87 | 123.68 |
| - Profit / (loss) from sale of asset | (0.02) | (5.27) |
| **Operating cash flow before working capital changes** | **165.92** | **145.98** |
| Changes in working capital | | |
| - Trade receivables | 2.16 | (7.17) |
| - Current and non-current loans | 9.63 | 3.93 |
| - Current and non-current financial assets | 41.29 | 23.20 |
| - Current and non-current assets | 2.51 | 6.33 |
| - Inventories | (0.15) | (4.50) |
| - Trade payables | (16.85) | (0.58) |
| - Current and non-current financial liabilities | 2.33 | 3.03 |
| - Current and non-current provisions | 0.52 | (7.95) |
| - Current and non-current liabilities | (2.94) | (9.09) |
| **Cash generated from operations** | **204.43** | **153.19** |
| Income taxes paid | 1.76 | 9.69 |
| **Cash generated from operations [A]** | **206.19** | **162.88** |
| **Cash flows from investing activities** | | |
| Purchase of property, plant and equipment (net off of capital advance recovery) | (37.14) | (34.97) |
| Sale of assets / Advance received for Assets held for sale | 0.02 | 5.27 |
| Withdrawal of fixed deposits | 0.00 | 0.06 |
| Interest received | 1.34 | (0.04) |
| **Net cash used in investing activities [B]** | **(35.78)** | **(29.68)** |
| **Cash flows from financing activities** | | |
| Repayment of long term and short term borrowings (net) | (44.93) | (13.56) |
| Interest paid | (36.40) | (43.99) |
| Repayment of lease liabilities | (80.65) | (82.51) |
| **Net cash generated / (used) in financing activities [C]** | **(161.97)** | **(140.06)** |
| **Increase in cash and cash equivalents** | | |
| Cash and cash equivalents at the beginning of the period | 5.26 | 12.12 |
| Movement in cash and cash equivalents during the period [A+B+C] | 8.44 | (6.86) |
| **Cash and cash equivalents at the end of the year** | **13.69** | **5.26** |

**COFFEE DAY GLOBAL LIMITED**

U85110KA1993PLC015001

No. 165, R V Road, (Near Minerva Circle), Bengaluru - 560004.

**Consolidated Statement of Cash Flows for the year ended March 31st, 2026**

*₹ in crore*

| | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| **Components of cash and cash equivalents (refer note 12)** | | |
| Balances with banks: | | |
| - in current accounts | 12.50 | 3.84 |
| - in escrow account | 0.02 | 0.01 |
| - in fixed deposits | - | - |
| Cash on hand | 1.17 | 1.40 |
| **Cash and cash equivalents at the end of the year** | **13.69** | **5.26** |

**Reconciliation of movements of liabilities to cash flows arising from financing activities**

₹ in crore

| Particulars | Total |
|---|---|
| **Balance at April 01st, 2024** | 1,169.76 |
| **Changes from financing cash flows** | |
| Proceeds from/ (repayment) of loans and borrowings, net | (13.56) |
| Impact of lease liability as per IndAS 116 | 126.79 |
| Repayment of lease liabilities | (82.51) |
| Conversion of borrowing into equity shares | - |
| Foreign exchange (gain)/ loss | - |
| Interest expense including Foreign exchange loss and interest impact on application of IndAS 116 | 29.62 |
| Interest paid | (43.99) |
| **Balance at March 31st, 2025** | **1,186.11** |
| **Changes from financing cash flows** | |
| Proceeds from/ (repayment) of loans and borrowings, net | (146.16) |
| Impact of lease liability as per IndAS 116 | 80.77 |
| Repayment of lease liabilities | (80.65) |
| Conversion of borrowing into equity shares | |
| Foreign exchange (gain)/ loss | - |
| Interest expense including Foreign exchange loss and interest impact on application of IndAS 116 | 30.67 |
| Interest paid | (36.40) |
| **Balance at March 31st,2026** | **1,034.35** |

As per our report of even date attached

**For Venkatesh & Co.,**
Chartered Accountants
~~Firm Registration No: FRN 004636S~~

***-Sd-***
**CA Hrishikesh D**
Partner
Membership No: 272865

UDIN : 26272865IOJFPV9841
Place: Bangalore
Date: May 27th, 2026

For and on behalf of the Board of Directors of
**Coffee Day Global Limited**

***-Sd-***
**Malavika Hegde**
*Whole Time Director*
DIN: 00136524

***-Sd-***
**K R Mohan**
Director
DIN: 01718628

***-Sd-***
**Jayraj C Hubli**
*Chief Financial Officer*
M.No.24460

***-Sd-***
**Sadananda Poojary**
*Company Secretary*
M.No.5223

**COFFEE DAY GLOBAL LIMITED**
U85110KA1993PLC015001
No. 165, R V Road, (Near Minerva Circle), Bengaluru - 560004.

## Consolidated Statement of Changes in Equity for the year ended March 31st, 2026

**Equity share capital**

₹ in crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| **Equity shares of ₹ 1 each issued, subscribed and fully paid** | | |
| Balance at the beginning of the period | 19.15 | 19.15 |
| Changes in Equity Share Capital due to prior period errors | - | - |
| Restated balance at the beginning of the current reporting period | - | - |
| Changes in equity share capital during the period | - | - |
| **Balance at the end of the reporting period** | **19.15** | **19.15** |

**Other equity** ₹ in crore

| Particulars | Reserves and surplus | | | | Other comprehensive income / Foreign currency translation reserve | Total equity |
|---|---|---|---|---|---|---|
| | Capital reserve | Securities premium | General reserve | Retained earnings | | |
| **Balance as at April 01st, 2024** | (0.04) | 1,197.01 | 17.05 | (608.71) | 4.16 | 609.47 |
| Net profit/(Loss) during the year | - | - | - | (175.93) | - | (175.93) |
| Remeasurement of actuarial gain or losses | - | - | - | 0.20 | - | 0.20 |
| Guarantees received during the year | - | - | - | - | - | - |
| **Balance as at March 31st, 2025** | (0.04) | 1,197.01 | 17.05 | (784.44) | 4.16 | 433.74 |

**For the year ended March 31st, 2026** ₹ in crore

| Particulars | Reserves and surplus | | | | Other comprehensive income / Foreign currency translation | Total equity |
|---|---|---|---|---|---|---|
| | Capital reserve | Securities premium | General reserve | Retained earnings | | |
| **Balance as at April 01st, 2025** | (0.04) | 1,197.01 | 17.05 | (784.44) | 4.16 | 433.74 |
| Net profit/(Loss) during the period | - | - | - | 14.43 | - | 14.43 |
| Remeasurement of actuarial gain or losses | - | - | - | (2.27) | - | (2.27) |
| Reclassified to Profit & loss Account | - | - | - | - | (4.16) | (4.16) |
| Other adjustments | (4.05) | 1.93 | (7.81) | 9.95 | - | 0.00 |
| Guarantees received during the period | - | - | - | - | - | - |
| **Balance as at March 31st, 2026** | (4.09) | 1,198.93 | 9.24 | (762.33) | - | 441.75 |

As per our report of even date attached
**For Venkatesh & Co.,**
Chartered Accountants
~~Firm Registration No: FRN 004636S~~

For and on behalf of the Board of Directors of
**Coffee Day Global Limited**

*-Sd-*
**CA Hrishikesh D**
Partner
Membership No: 272865

*-Sd-*
**Malavika Hegde**
*Whole Time Director*
DIN: 00136524

*-Sd-*
**K R Mohan**
**Director**
DIN: 01718628

UDIN : 26272865IOJFPV9841
Place: Bangalore
Date: May 27th, 2026

*-Sd-*
**Jayraj C Hubli**
Chief Financial Officer
M.No.24460

*-Sd-*
**Sadananda Poojary**
Company Secretary
M.No.5223

**1 Company background**

Coffee Day Global Limited ('CDGL' or 'the Company') was originally incorporated as "Amalgamated Bean Coffee Trading Company Private Limited" on December 6th, 1993 under the Companies Act, 1956. On February 3rd, 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 March 20th. 2015.
The registered office of the Company is located in Bangalore, Karnataka. The Company is a subsidiary of Coffee Day Enterprises Limited.

Coffee Day Global Limited together with its subsidiary entities and a joint venture company is hereinafter referred to as "the Group".

The Company is engaged in the business of retailing of coffee and other products through its chain of outlets under the Cafe and Xpress kiosks formats, under the brand name 'Coffee Day'. The Company 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 selling coffee to domestic and overseas customers.

The financial statements are approved for issue by the Company's Board of Directors on May 27th, 2026

**List of subsidiaries and joint venture with percentage holding:**

| Subsidiary | Country of incorporation and other particulars | Percentage of holding (%) |
|---|---|---|
| Classic Coffee Curing Works | a partnership firm with the company as a controlling partner having a share of profit of 100%, registered under the laws of India | 100% |
| Coffeelab Limited ('CLL') | a subsidiary of the Company incorporated under the laws of India | 100% |
| **JOINT VENTURES** | | |
| Coffee Day Schaerer Technologies Private Limited ('CDSTPL') | a joint venture of the company incorporated under the laws of India | 49.00% |
| Coffee Day Consultancy Services Private Limited(CDCSPL) | a joint venture of CDEL & the company incorporated under the laws of India | 51.00% |
| Coffee Day Econ Private Limited (CDEPL) | a subsidiary of CDCSPL incorporated under the laws of India | 99.99% |

**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 crores unless otherwise indicated.

**C Basis of measurement**

The consolidated financial statements have been prepared on a historical cost / deemed 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 |

**2 Basis of preparation of consolidated financial statements (continued)**

**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 3(l): lease classification.

**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 3(b),4,6 : depreciation method and useful life of items of property, plant and equipment & Other Intangible assets;
- note 3(h),7: impairment of investments;
- note 3(g),37: provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources;
- note 3(d),49: 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.

**2 Basis of preparation of consolidated financial statements (continued)**

**F Measurement of fair values (Continued)**

- 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 50)
' Disclosures for valuation methods, significant estimates and assumptions (note 50)
- Quantitative disclosures of fair value measurement hierarchy (note 50)

**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.

The acquisition method of accounting is used to account for business combinations by the Group.

**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 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.

**2 Basis of preparation of consolidated financial statements (continued)**

**G Basis of Consolidation (Continued)**

**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 Material accounting policies**

**a Revenue recognition**

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.
Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Goods and Services Tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.
The specific recognition criteria described below must also be met before revenue is recognised. The company derives its revenue from 2 separate streams, a)Café and Xpress and b) From operation of vending machines. Revenue from Café and Xpress - Majority of the sales are in B2C format and company realises its dues immediately on sale by Cash,Credit card or other mode of Digital payment. In case of Vending Division, sales proceeds are realised as per agreed credit period terms

**Sale of products**

Revenue from sale of goods is recognised as and when the customer obtains control of the goods.

**Sale of services**

Revenue from sale of services is recognised as and when the performance obligation is satisfied.

**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 when control in goods is transferred. 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.

**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.

**Advertisement income**

Income from advertising is recognised pro-rata over the period of the contract and in accordance with the terms and conditions of the contract.

**3 Material accounting policies (Continue)**

**a Revenue recognition (Continue)**

**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**

**i. Recognition and measurement**

Items of property, plant and equipment are measured at cost / deemed 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.

Property, Plant, and Equipment (PPE) are recognized as assets when it is probable that future economic benefits will flow to the entity and the cost of the asset can be reliably measured. This principle applies to assets held for use in the production or supply of goods or services, for rental, or for administrative purposes, and are expected to be used for more than one period.

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

**ii. 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.

**iii. 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 | 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 | 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 off).

**iv. 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.

**3 Material accounting policies (Continue)**

**b Property, plant and equipment (Continue)**

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**

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.

**3 Material accounting policies (Continue)**

**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 March 31st, 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 April 1st, 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 (April 1st, 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.

The company determines the probability of the relevant tax authority accepting each tax treatment that are used or plan to be used in their income tax filing to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

**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.

**3 Material accounting policies (Continue)**

**f Income taxes (Continue)**

**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.

**3 Material accounting policies (Continue)**

**h Impairment (Continue)**

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.

**3 Material accounting policies (Continue)**

**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**

**i. As a lessee**

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At lease commencement date, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements, except for leases with a term of 12 months or less (short-term leases) and low value leases. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. ROU assets and lease liabilities includes, the options to extend or terminate the lease before the end of the lease term, when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. ROU assets are tested for impairment and recoverable amount is determined on an individual asset basis, if it is a Cash Generating Unit (CGU) in itself, otherwise recoverable amount is determined for the CGU to which it belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the portfolio as a whole. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment if whether it will exercise an extension or a termination option. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the ROU asset. If the ROU asset balance is not sufficient to cover the adjustment amount, then the remaining balance will be recognised in Statement of profit and loss.

**3 Material accounting policies (Continue)**

**l Leases (Continue)**

**Transition**

The company has applied Ind AS 116 on 1st April 2019, using the modified retrospective approach. Therefore the cumulative effect of adopting Ind AS 116 is recognised as an adjustment to opening balance of retained earnings at 1st April 2019, with no restatement of comparative information.

The following is the summary of practical expedients elected on initial application :

1. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
4. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment.

**ii. As a lessor**

Lease income where the Company is a lessor is recognised as per the terms of leases as the amount is not material.

**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.

**3 Material accounting policies (Continue)**

**p Financial instruments (Continue)**

**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).

**3 Material accounting policies (Continue)**

**p Financial instruments (Continue)**

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 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 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 50 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.

**3 Material accounting policies (Continue)**

**p Financial instruments (Continue)**

**v. Derivative financial instruments and hedge accounting (Continue)**

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**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time.
In May 2025, MCA notified amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, applicable with effect from April 1, 2025. The Company has reviewed the amendment and, based on its evaluation, has determined that it does not have any significant impact on its financial statements.
In August 2025, MCA notified the following amendments:
1. Ind AS 1 – Presentation of Financial Statements (applicable with effect from April 1, 2025)
The amendment relates to the classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement for the existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that such right should exist on the reporting date and have substance. The amendment also introduces guidance on the classification of liabilities with covenants. The Company has assessed these amendments and concluded that they do not have any impact on its classification criteria for current and non-current liabilities.

2. Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures (applicable with effect from April 1, 2025)

The amendment to Ind AS 7 requires entities to provide information about supplier finance arrangements, including the nature of such arrangements, the carrying amount of related liabilities, and the range of payment due dates. Ind AS 107 has been amended to include supplier finance arrangements as a factor that may result in concentration of liquidity risk. The Company has reviewed these amendments and, based on its evaluation, has determined that they do not have any significant impact on its financial statements.

3. Ind AS 12 – International Tax Reform – Pillar Two Model Rules (applicable immediately)

**3 Material accounting policies (Continue)**

**q Recent accounting pronouncements (Continue)**

The amendments provide a temporary mandatory relief from deferred tax accounting for top-up taxes and require disclosure regarding the application of such relief. This relief is effective immediately and applies retrospectively (refer Note 15). The Company has reviewed the amendment and, based on its evaluation, has determined that it does not have any significant impact on its financial statements.

**Notes to the consolidated financial statements for the year ended March 31st, 2026**

**4 Property, plant and equipment and capital work-in-progress**

*₹ in crore*

| Particulars | Owned | | | | | | | | | Total (A) |
|---|---|---|---|---|---|---|---|---|---|---|
| | Freehold land | Buildings (refer note i) | Leasehold improvements | Plant and equipment | Office equipment | Furniture and fixtures | Computers | Vehicles | Coffee vending machine | |
| **Cost or deemed cost:** | | | | | | | | | | |
| **Balance as at April 1st, 2024** | **31.70** | **30.45** | **121.49** | **175.06** | **2.58** | **114.33** | **5.87** | **0.16** | **512.47** | **994.11** |
| Additions | - | - | 1.89 | 0.73 | 0.18 | 0.14 | 0.44 | - | 32.99 | **36.37** |
| Disposals/ capitalisation | 0.05 | | 0.17 | 8.81 | - | 2.14 | 0.24 | - | 4.67 | **16.09** |
| **Balance as at March 31st, 2025** | **31.64** | **30.45** | **123.20** | **166.98** | **2.75** | **112.33** | **6.07** | **0.16** | **540.79** | **1,014.38** |
| **Balance as at April 1st,2025** | **31.64** | **30.45** | **123.20** | **166.98** | **2.75** | **112.33** | **6.07** | **0.16** | **540.79** | **1,014.38** |
| Additions | - | - | 5.55 | 0.80 | 0.18 | 0.40 | 0.64 | - | 30.83 | **38.42** |
| Disposals/ capitalisation | 13.25 | | 9.50 | 10.04 | - | 2.41 | 0.02 | - | 1.85 | **37.07** |
| **Balance as at March 31st, 2026** | **18.39** | **30.45** | **119.25** | **157.75** | **2.94** | **110.32** | **6.69** | **0.16** | **569.77** | **1,015.73** |
| **Accumulated depreciation:** | | | | | | | | | | |
| **Balance as at April 1st, 2024** | - | 11.05 | 100.61 | 140.46 | 2.27 | 99.75 | 5.75 | 0.16 | 388.51 | **748.58** |
| Depreciation for the period | - | 2.53 | 8.99 | 7.49 | 0.08 | 6.61 | 0.16 | | 46.63 | **72.49** |
| Impairment | | | - | 2.47 | - | - | - | - | - | **2.47** |
| Disposals | | | 0.14 | 6.91 | - | 1.78 | 0.24 | - | 4.67 | **13.74** |
| **Balance as at March 31st, 2025** | **-** | **13.58** | **109.47** | **143.51** | **2.36** | **104.58** | **5.67** | **0.16** | **430.47** | **809.79** |
| **Balance as at April 1st,2025** | | **13.58** | **109.47** | **143.51** | **2.36** | **104.58** | **5.67** | **0.16** | **430.47** | **809.79** |
| Depreciation for the period | | 0.45 | 10.93 | 5.79 | 0.11 | 4.03 | 0.22 | - | 51.79 | **73.32** |
| Impairment | | 14.06 | | - | - | - | - | - | - | **14.06** |
| Disposals | | - | 9.50 | 9.72 | - | 2.08 | 0.01 | - | 1.85 | **23.15** |
| **Balance as at March 31st, 2026** | **-** | **28.10** | **110.91** | **139.58** | **2.47** | **106.53** | **5.88** | **0.16** | **480.40** | **874.03** |
| **Carrying amount:** | | | | | | | | | | |
| ***As at March 31 st , 2025*** | ***31.64*** | ***16.87*** | ***13.73*** | ***23.48*** | ***0.40*** | ***7.74*** | ***0.40*** | ***-*** | ***110.32*** | ***204.58*** |
| ***As at March 31 st , 2026*** | ***18.39*** | ***2.35*** | ***8.35*** | ***18.17*** | ***0.47*** | ***3.79*** | ***0.82*** | ***-*** | ***89.37*** | ***141.70*** |

**Property, plant and equipment and capital work-in-progress (continued)**

**Notes:**

Property, Plant, and Equipment (PPE) are recognized as assets when it is probable that future economic benefits will flow to the entity and the cost of the asset can be reliably measured. This principle applies to assets held for use in the production or supply of goods or services, for rental, or for administrative purposes, and are expected to be used for more than one period.

i) Includes building constructed on leasehold land.

ii) Capital work in progress

Capital work in progress mainly comprises of coffee vending machines and advances given for setting up of cafes.

iii) Security

Property, plant and equipment have been pledged as security by the company against loans taken from banks and financial institutions, as detailed under the notes under "Borrowings".

**4 Property, plant and equipment and capital work-in-progress (Continue)**

iv) Significant estimates

Property, plant and equipment represent a significant proportion of the asset base of the Company. 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 life 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 life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

The depreciation policy on additions to Coffee Vending Machines by way of refurbishment of machines for the current year, are as follows:
- if remaining use life of asset( Vending Machine) as on date of replacement is greater than 3yrs, depreciate the cost of refurbishment over next 7 years
- if remaining use life of asset (Vending Machine) as on date of replacement is less than 3yrs, depreciate the cost of refurbishment over next 3 years
- if the asset is put to use for more than 12 years, depreciate the cost of refurbishment in the same year

v) Addition to property, plant and equipment includes exchange fluctuation Gain/Loss of NIL (March 31st, 2025 gain/Loss of NIL) in continuation of the exemption as per IndAS 101, by capitalising the exchange fluctuation on ECB loan availed before March 31st, 2016.

vi) During the year, an amount of Rs 4.27 Crores pertaining to old and Non moving CWIP was capialised and depreciated fully.

vii) **Aging Schedule for Capital Work in Progress**

| CWIP | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| **As at March 31st, 2026** | | | | | |
| CWIP - Coffee Machines manufactured not put to use | 0.68 | | | | **0.68** |
| Projects in progress | 2.09 | | | | **2.09** |
| Projects in progress temporarily suspended | | | | | **-** |
| **Total** | **2.77** | - | - | - | **2.77** |
| **As at March 31st, 2025** | | | | | |
| CWIP - Coffee Machines manufactured not put to use | 0.22 | | | 0.04 | **0.25** |
| Projects in progress | 0.28 | | | | **0.28** |
| Projects in progress temporarily suspended | - | - | | 4.23 | **4.23** |
| **Total** | **0.49** | **-** | **-** | **4.27** | **4.76** |

## 5 Right-of-use assets

**Reconciliation of carrying amount for the year ended March 31st, 2026 and March 31st, 2025**

***₹ in crores***

| Particulars | Land | Buildings | Total |
|---|---|---|---|
| **Balance as at April 1st, 2024** | **84.06** | **145.65** | **229.71** |
| Additions on account of renewals/ New Leases entered during the year | - | 102.18 | **102.18** |
| Deletion on termination of leases during the year | - | (2.85) | **(2.85)** |
| Depreciation | (1.19) | (49.90) | **(51.09)** |
| **Balance as at March 31st, 2025** | **82.87** | **195.07** | **277.94** |
| **Balance as at April 1st, 2025** | **82.87** | **195.07** | **277.94** |
| Additions on account of renewals/ New Leases entered during the year | - | 65.18 | 65.18 |
| Deletion on termination of leases during the period | (81.98) | (6.19) | (88.17) |
| Depreciation | (0.89) | (54.54) | (55.44) |
| **Balance as at March 31st, 2026** | **(0.00)** | **199.52** | **199.52** |

## 6 Other Intangible assets

**Reconciliation of carrying amount for the year ended March 31st, 2026 and March 31st, 2025**

***₹ in crores***

| Particulars | Software | Total |
|---|---|---|
| **Cost or deemed cost:** | | |
| **Balance as at April 1st, 2024** | 29.05 | 29.05 |
| Additions | - | - |
| Deletions | - | - |
| **Balance as at March 31st, 2025** | **29.05** | 29.05 |
| **Balance as at April 1st, 2025** | 29.05 | 29.05 |
| Additions | 0.03 | 0.03 |
| Deletions | - | - |
| **Balance as at March 31st, 2026** | **29.08** | 29.08 |
| | | - |
| **Accumulated amortisation** | | - |
| **Balance as at April 1st, 2024** | 28.90 | 28.90 |
| Amortisation for the year | | - |
| Disposals | - | - |
| **Balance as at March 31st, 2025** | **28.90** | 28.90 |
| **Balance as at April 1st, 2025** | 28.90 | 28.90 |
| Amortisation for the period | 0.10 | 0.10 |
| Disposals | - | - |
| **Balance as at March 31st, 2026** | **29.00** | 29.00 |
| **Carrying amounts (net):** | | |
| **As at March 31st, 2025** | **0.15** | **0.15** |
| **As at March 31st, 2026** | **0.07** | **0.07** |

7 **Non current investments**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| ***Unquoted investments*** | | |
| *(a) Investment in Joint venture company and its subsidiaries measured under equity method (fully paid up):* | | |
| a) 6,86,000 (31 March 2025: 6,86,000) equity shares of Coffee Day Schaerer Technologies Private Limited of ₹ 10 each | 3.16 | - |
| b) 2,49,60,001 (31 March 2025 :2,49,60,001) equity shares of Coffee Day Consultancy Services Pvt. Ltd. of ₹ 10 each * | 6.50 | 6.50 |
| c) 1 (31 March 2025 :1) equity shares of Coffee Day Econ Pvt. Ltd. of ₹ 10 each | - | - |
| | **9.66** | **6.50** |
| Provision for impairment on investments** | (6.50) | (6.50) |
| | **3.16** | **-** |
| Aggregate amount of quoted investments and market value thereof | - | - |
| Aggregate value of unquoted investments | 9.66 | 6.50 |
| Aggregate amount of impairment in value of investments | 6.50 | 6.50 |

* During the financial year 2019-20 M/s.RBL Bank had invoked 1,52,94,118 Equity shares held in M/s. Coffee Day Consultancy Services Private Limited (which is now assigned to Rare Asset Reconstruction Ltd.) on default of repayment of dues to the bank. The same will be returned back on repayment of dues to them.

** The provision made for diminution in the value of investment pertains to investment in Coffee Day Consultancy Services Pvt. Ltd

8 **Other financial assets**

**A. Other non-current financial assets**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Security deposit | 22.44 | 43.52 |
| Fixed deposit accounts with banks | 14.65 | 45.59 |
| Margin money deposits with banks | 0.09 | 0.41 |
| Share application money pending allotment in ONS Ventures-Malaysia | 1.54 | 1.54 |
| Less: Provision for credit impaired assets * | (3.54) | (19.89) |
| | **35.19** | **71.17** |

*During the year an amount of Rs 14.47 Crores towards Credit impaired Deposits paid for closed cafes, Staff Accomodation, Electricity Deposit, Deposit with Leasing companies etc was written off. Further Provision created earlier for Rs 1.88 Crores was reversed as they were no longer required.

**B. Other current financial assets**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Security deposit | 9.64 | 3.45 |
| **Others** | | |
| Asset sales proceeds receivable | 1.90 | 0.93 |
| Interest accrued but not due | 0.01 | 0.06 |
| Other advances * | 980.51 | 997.10 |
| Less: Provision for credit impaired assets ** | (0.59) | (1.36) |
| | **991.48** | **1,000.19** |

* Refer note no.34
**During the year an amount of Rs 0.77 Crores provided earlier years towards Deposits paid for cafes has been written off,since recovery efforts did not yield any results.

9 **Other assets**

**A. Other non-current assets**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Capital advances | 31.12 | 30.56 |
| Advances other than capital advances: | | |
| - deposit with government authorities | 0.08 | 0.08 |
| - taxes paid under protest | 1.68 | 3.52 |
| | **32.88** | **34.15** |
| Less: Provision for doubtful assets | (29.56) | (29.56) |
| | **3.31** | **4.59** |

**9 Other assets (Continue)**

**B. Other current assets**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Supplier advance | 63.05 | 63.81 |
| Deferred rental expense | 0.28 | 0.28 |
| Prepaid expenses | 1.30 | 0.26 |
| | **64.63** | **64.35** |
| Less: Provision for doubtful assets * | (60.34) | (60.73) |
| | **4.29** | **3.62** |

* During the year on the basis of the settlement agreement entered with one of the debtors an amount of Rs 0.38 Crs was written off which was provided earlier year.

**10 Inventories**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Stock of perishables, consumables and merchandise | 26.83 | 27.87 |
| Stock of spares | 10.41 | 9.52 |
| | **37.24** | **37.39** |
| Carrying amount of inventories (included in above) pledged as securities for borrowings (refer note 18) | 37.24 | 37.39 |

**11 Trade receivables**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| **Trade receivables** | | |
| Unsecured, considered good | 59.54 | 61.75 |
| Credit impaired | 42.57 | 80.20 |
| | **102.11** | **141.95** |
| **Loss allowance** | | |
| Credit impaired * | (42.57) | (80.20) |
| | (42.57) | (80.20) |
| **Net trade receivables** | **59.54** | **61.75** |

All trade receivables are 'current'.

* During the year an amount of Rs 36.54 Crores provided in earlier years pertaining to outstanding debtors has been written off, since they are no longer recoverable and amount recovered from earlier provisions is Rs.1.10 Crores

For aging schedule of trade receivables refer note no.43

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables is disclosed in note 50.

**12 Cash and cash equivalents**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Balances with banks | | |
| - in current accounts | 12.50 | 3.84 |
| - in escrow accounts | 0.02 | 0.01 |
| Cash on hand | 1.17 | 1.40 |
| | **13.69** | **5.26** |

**13 Bank balances other than cash and cash equivalents**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Balances with banks | | |
| -in margin money deposits with banks* | 0.78 | 0.74 |
| | **0.78** | **0.74** |

* deposits with banks for margins on bank guarantees issued by the bank

**Notes to the consolidated financial statements (continued)**

**14 Loans**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| *Unsecured, considered good* | | |
| Staff advances | 0.69 | 1.12 |
| Loans to related parties: | | |
| - holding Company | - | 4.47 |
| *Unsecured, Credit impaired* | | |
| Loans to related parties: | | |
| - joint venture | 0.45 | 0.45 |
| Less: Provision for credit impaired loans | (0.45) | (0.45) |
| | **0.69** | **5.60** |

All loans are current

Following are the loans to Related parties which are repayable on demand or without specifying any terms or period of repayment

₹ in Crores

As on March 31st, 2026

| Type of Borrower | Amount of loan | Percentage to the total Loans and advances in nature of loan |
|---|---|---|
| Joint Ventures | 0.45 | 0.05% |
| Other related parties | 979.42 | 99.77% |

As on March 31st, 2025

| Type of Borrower | Amount of loan | Percentage to the total Loans and advances in nature of loan |
|---|---|---|
| Joint Ventures | 0.45 | 0.05% |
| Holding Company | 4.47 | 0.45% |
| Other related parties | 979.42 | 99.64% |

**15 Current Tax Asset/(Current Tax Liabilities)**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Opening balance | (6.51) | 7.23 |
| Less: current tax payable | (4.84) | (11.72) |
| Add: Tax paid during the period | 2.63 | (2.02) |
| **Closing balance** | **(8.71)** | **(6.51)** |

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## 16 Equity share capital

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| **Authorised** | | |
| 2,354,860,635 (31 March 2025: 2,354,860,635) equity shares of ₹ 1 each | 235.49 | 235.49 |
| | 235.49 | 235.49 |
| **Issued, subscribed and fully paid up** | | |
| 191,508,844 (31 March 2025: 19,15,08,844) equity shares of ₹ 1 each | 19.15 | 19.15 |
| | 19.15 | 19.15 |

**(a) Current Reporting Period:**

₹ in Crores (except share data)

| Particulars | As at March 31st, 2026 | |
|---|---|---|
| | No of shares | Amount |
| Balance at the beginning of the current reporting period | 19,15,08,844 | 19.15 |
| Changes in Equity Share Capital due to prior period errors | - | - |
| Restated balance at the beginning of the current reporting period | - | - |
| Changes in equity share capital during the period | - | - |
| **Balance at the end of the current reporting period** | **19,15,08,844** | **19.15** |

**(b) Previous Reporting Period:**

₹ in Crores (except share data)

| Particulars | As at March 31st, 2025 | |
|---|---|---|
| | No of shares | Amount |
| Balance at the beginning of the current reporting period | 19,15,08,844 | 19.15 |
| Changes in Equity Share Capital due to prior period errors | - | - |
| Restated balance at the beginning of the current reporting period | - | - |
| Changes in equity share capital during the current year | - | - |
| **Balance at the end of the current reporting period** | **19,15,08,844** | **19.15** |

**(c) 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 ₹ 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 Company after distribution of all preferential amounts if any, in proportion to their shareholding.

**(d) 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 March 31st, 2026 | | As at March 31st, 2025 | |
|---|---|---|---|---|
| | % of holding | No of shares | % of holding | No of shares |
| Coffee Day Enterprises Limited, holding company | 51.71% | 9,90,23,468 | 51.71% | 9,90,23,468 |
| IDBI Trusteeship Services Limited (Invoked shares) | 21.15% | 4,05,11,652 | 21.68% | 4,15,11,652 |
| J C Flowers Asset Reconstruction Private Limited (Invoked shares) | 9.43% | 1,80,62,696 | 9.43% | 1,80,62,696 |
| Phoenix ARC Private Limited (Invoked shares) | 0.00% | - | 7.14% | 1,36,65,000 |
| ECOSCAPES Constructions Private Limited | 7.14% | 1,36,65,000 | 0.00% | - |
| RARE Asset Reconstruction Limited | 6.25% | 1,19,73,000 | 6.25% | 1,19,73,000 |

## Notes to the consolidated financial statements (continued)

**16 Equity share capital (Continue)**

**(e)** 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.

**(f) Particulars of each class of shares held by holding, ultimate holding, subsidiaries or associates of the holding company or the ultimate holding company:**

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Coffee Day Enterprises Limited, holding company | 9,90,23,468 | 9,90,23,468 |

**(g) Details of shareholding of promoters**

Shares held by promoters at the end of March 31st, 2026

| Promoter Name | No. of Shares | %of total shares | % Change during the year |
|---|---|---|---|
| Coffee Day Enterprises Limited | 9,90,23,468 | 51.71% | 0.00% |
| Malavika Hegde | 6,15,917 | 0.32% | 0.00% |
| Sivan Securities (P) Ltd | 1 | 0.00% | - |

Shares held by promoters at the end of March 31st, 2025

| Promoter Name | No. of Shares | %of total shares | % Change during the year |
|---|---|---|---|
| Coffee Day Enterprises Limited | 9,90,23,468 | 51.71% | 0.00% |
| Malavika Hegde & Late V G Siddhartha | 6,15,917 | 0.32% | 0 |
| Sivan Securities (P) Ltd | 1 | 0.00% | - |

**17 Other equity**

*₹ in Crores*

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| **Capital Reserve** | | |
| **At the commencement of the year** | (0.04) | (0.04) |
| Add: Movement during the period | (4.05) | - |
| **At the end of the period** | **(4.09)** | **(0.04)** |
| **Securities premium** | | |
| At the commencement of the year | 1,197.01 | 1,197.01 |
| Add: Movement during the period | 1.93 | - |
| **At the end of the period** | **1,198.93** | **1,197.01** |
| **General reserve** | | |
| At the commencement of the year | 17.05 | 17.05 |
| Add: Movement during the period | (7.81) | - |
| **At the end of the period** | **9.24** | **17.05** |
| **Retained earnings** | | |
| At the commencement of the year | (784.43) | (608.70) |
| Add: Net profit for the period | 14.43 | (175.93) |
| Add: Remeasurement of Defined Benefit Plan | (2.27) | 0.20 |
| Add: Other Adjustments | 9.95 | - |
| Add: Guarantees received / (provided) * | - | - |
| Less : Dividend | - | - |
| **At the end of the period** | **(762.32)** | **(784.43)** |
| **Other comprehensive income:** | | |
| **Foreign currency translation reserve** | | |
| At the commencement of the year | 4.16 | 4.16 |
| Add/ (less): Exchange difference arising on translating the foreign operations, net of tax | (4.16) | - |
| **At the end of the period** | **-** | **4.16** |
| | **441.75** | **433.74** |

**Notes to the consolidated financial statements (continued)**

**17 Other equity (Continue)**

**Nature and purpose of other reserves:**

**Capital reserve:**
Capital reserve of a corporate enterprise is not available for distribution of dividend.

**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 sec 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.

**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 period, the profit after tax is transferred from the statement of profit and loss to the retained earnings account. The cumulative gain or loss arising on the actuarial valuation on remeasurements of defined benefit plan is recognised and accumulated under the heading of actuarial gains and losses reserve, as part of retained earnings. Items included in actuarial gain or loss 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.

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**18 Borrowings**

**A. Non-current borrowings**

*₹ in Crores*

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| ***Secured:*** | | |
| Term loans | | |
| - from other parties | | |
| - Multitude Growth Funds Ltd., Mauritius [refer note 18(i)] | 131.45 | 124.58 |
| ***Unsecured:*** | | |
| - Multitude Growth Funds Ltd., Mauritius [refer note 18(i)] | 73.56 | 75.93 |
| | 205.01 | 200.50 |

**B. Current borrowings**

*₹ in Crores*

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Current maturities of long-term debt* | | |
| - from other parties | | |
| - Multitude Growth Funds Limited [refer note 18(i)] | 26.82 | 26.82 |
| - Multitude Growth Funds Limited [refer note 18(i)] | 71.61 | 71.61 |
| - Multitude Growth Funds Ltd [refer note 18(i)] | - | 11.67 |
| - Compulsorily convertible debentures - Multitude Growth Funds Ltd., Mauritius [note 18(i)] | 16.98 | 16.98 |
| - Prudent ARC Limited' [refer note 18(ii)] | 127.93 | 127.93 |
| - Prudent ARC Limited [refer note 18(ii)] | 23.41 | 24.61 |
| - Rare Asset Reconstruction Ltd (Rare) [refer note 18(iii)] | 15.00 | 103.44 |
| - Rare Asset Reconstruction Ltd (Rare) [refer note 18(iii)] | - | 78.42 |
| ***Unsecured loan*** | | |
| -Tanglin Development Ltd -[refer note 18(v)] | 129.91 | 189.11 |
| -Coffee Enterprises Limited -[refer note (vi)] | 99.82 | - |
| | 511.47 | 650.58 |

Information about Company's exposure to interest rate, foreign currency and liquidity risks is included in note 50.

**Notes:**

a) All the working capital facilities availed from banks have been assigned to Asset Reconstruction Companies (ARC). Hence, no quarterly returns of current assets have been filed.

b) There are no pending charge documents to be filed before registrar of companies.

c) Based on the information available with the company none of the lender has declared the company as wilful defaulter.

(i) **From Rabobank International, Hong Kong assigned to Multitude Growth Funds Limited, Mauritius (Formerly known as A G Dynamics Ltd) including current maturities and non current borrowings.**

Secured by
- Personal guarantee of Late Mr.V.G.Siddhartha
- Charge on specific movable assets of the Company
- Pari-passu equitable mortgages on the following immovable properties
- Land located in Palace Road, Bangalore owned by the Company.

**From Rabobank International, Hong Kong - assigned to Multitude Growth Funds Limited, Mauritius (Formerly known as A G Dynamics Ltd) including current maturities of non-current borrowings**

Secured by
- First ranking pari pasu mortgages on the following immovable properties
- Land located in Palace Road, Bangalore owned by the Company
- Charge on specific movable assets of the Company
- 'Personal guarantee of Late Mr.V.G.Siddhartha;

**From Deutsche Investitions-Und Entwicklungsgesellschaft MBH ('DEG') - assigned to Multitude Growth Funds Limited (Formerly known as A G Dynamics Ltd) including current and non current maturities.**

The change during the current year is on account of realignment of debt and interest as per the proposed restructuring plan.

Secured by
- Personal guarantee of Late Mr. V. G. Siddhartha;
- Pari Passu mortgage on the Land located in Palace Road, Bangalore owned by the Company.
- Charge on all movable assets of the Company.

**18 Borrowings (Continue)**

**B. Current borrowings (Continue)**

**From Impact HD, Japan (formerly MediaFlag, Japan) - assigned to Multitude Growth Funds Ltd., Mauritius (Formerly, A G Dynamic Funds Ltd.) - including current maturities of non-current borrowings**

The Company realigned the debt and interest as per the proposed restructuring plan.

- The loan is an unsecured loan

**Compulsorily convertible debentures issued to FMO - subsequently sold by FMO to Multitude Growth Funds Ltd., Mauritius (Formerly, A G Dynamic Funds Ltd.) - including current maturities of non-current borrowings**

Inresepct of the above loan the Board in its meeting held on February 11th, 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.

As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 2024-Mar 2026 @8.50% or as per ECB guidelines whichever is applicable has been paid and the servicing of the Rabo loan is subservient to the other loans. The plan is awaiting required approval/Execution.

(ii) **From Yes Bank assigned to J.C. Flowers Asset Reconstruction Pvt. Ltd (and further assigned by J C Flower to Prudent ARC Limited vide agreement dated April 16th, 2025) including current maturities of non-current borrowings**

The change in the current year is on account of the realignment of the debt and interest as per the proposed restructuring plan.

Secured by

- Charge on current assets of Vending Division
- Charge over Vending Machines installed across India
- Personal Guarantee of Late. Mr.V.G. Siddhartha

**From IndusInd Bank Limited assigned to ASREC (India) Limited (and further assigned to Prudent ARC Limited vide agreement dated 30th October 2025)**

Secured by

- Hypothecation of Certain earmarked assets of the cafes and stock of Coffee at Hassan earmarked for export and advance paid to planters
- Personal guarantee of Late Mr. V G Siddhartha.

Inrespect of the above loan the Board in its meeting held on February 11th, 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.

As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 2024-Mar 2026 @8.50% and the same is paid. The plan is awaiting required approval/Execution.

(iii) **From The Karnataka Bank Limited assigned to Rare Asset Reconstruction Ltd (RARE)**

Secured by

- Hypothecation of stocks of coffee beans located at Chikmagalur and advance paid to planters;
- Hypothecation of goods covered under export bills;
- Hypothecation of machineries acquired under LC and 10% Cash margin
- Hypothecation of Stock of Cafes
- 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.
  - Land measuring 4 acres 26 guntas belonging to the Company situated at Chikamagalur

**From RBL Bank Limited assigned to Rare Asset Reconstruction Ltd (RARE)**

The Company has realigned its debt and interest liabilities as per the restructuring plan.

Secured by

- Charge on Current assets including Stock and Book debts of Xpress division.
- Charge on specific vending machines with minimum cover of 1.2x times
- Personal guarantee of Late Mr. V. G. Siddhartha

The company has pledged the 1,52,94,118 shares of Coffee Day Consultancy Services Pvt. Ltd. held by it. The same is invoked by the lender due to default in repayment of dues to it.

Inrespect of the above loan the Board in its meeting held on February 11th, 2023, decided to initiate a Restructuring Process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.

As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 2024-Nov 2025 @8.50% and the same is paid. The plan is awaiting required approval/Execution. However during the year as per the One Time Settlement (OTS) agreement entered with the lender, the entire loan has been settled for Rs.40 Crores and out of the settlement amount agreed only a balance of Rs 15 Crores is payable on or before December 2026.

**18 Borrowings (Continue)**

**B. Current borrowings (Continue)**

(iv) The aggregate amount of borrowings secured by personal guarantee of late Managing Director amounts to ₹ 469.60 crores. (March 31st ,2025: ₹ 669.20 crores).

After the demise of V G Siddhartha (then Managing Director on July 31st, 2019), the lenders have not made any changes to the terms with respect to his personal guarantee for the above loans, wherever applicable.

(v) **From Tanglin Developments Limited**
- The Loan is repayable on demand.
- The Loan does not carry any interest.

(vi) **From Coffee Day Enterprises Limited**
- The Loan is repayable on demand.
- The Loan to the extent Rs.10 Cr received from CDEL carries Interest rate of 10%.

**19 Lease liability**

**A. Non-current lease liability**

*₹ in Crores*

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Lease Liability [refer note no.45] | 186.32 | 193.62 |
| | **186.32** | **193.62** |

**B. Current lease liability**

*₹ in Crores*

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Lease Liability [refer note no.45] | 57.86 | 50.43 |
| | **57.86** | **50.43** |

**20 Other financial liabilities**

**B. Other current financial liabilities**

*₹ in Crores*

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Others: | | |
| - Interest payable | 73.47 | 104.21 |
| - accrued salaries and benefits | 11.06 | 12.46 |
| - creditors for capital goods | 7.97 | 9.26 |
| - creditors for expenses | 43.56 | 45.73 |
| - deposits from customers | 140.04 | 134.14 |
| | **276.10** | **305.81** |

**21 Provisions**

**A. Non-current provisions**

*₹ in Crores*

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Provision for employee benefits | | |
| - Gratuity (refer note 49) | 12.31 | 8.22 |
| | **12.31** | **8.22** |

**21 Provisions (Continue)**

**B. Current provisions**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Provision for employee benefits | | |
| - compensated absence | 5.38 | 5.27 |
| - gratuity (refer note 49) | 0.28 | 0.16 |
| | 12.28 | 13.92 |
| Provision for purchases and expenses * | | |
| | **17.94** | **19.35** |

***Movements in provision:**

₹ in Crores

| Particulars | | |
|---|---|---|
| Opening Balance | 13.92 | 22.99 |
| Add : Addition | 12.28 | 13.92 |
| Less : Reversal | (13.92) | (22.99) |
| **Closing Balance** | **12.28** | **13.92** |

**22 Other liabilities**

**Other current liabilities**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Statutory dues | 5.40 | 7.14 |
| Others | - | |
| - advance payments towards unexpired gift vouchers | 0.80 | 1.26 |
| - advance from customers | 8.30 | 8.95 |
| - subsidy advance (refer note 40) | 3.25 | 3.34 |
| | **17.75** | **20.69** |

**23 Trade payables**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Total outstanding dues to micro and small enterprises | 9.85 | 8.72 |
| Total outstanding dues of creditors other than micro and small enterprises | 37.17 | 55.15 |
| | **47.02** | **63.87** |

All trade payables are 'current'.
For aging schedule of trade payables refer note no.42
The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 50.

**Dues to Micro, small and medium enterprises**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26th, 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 on reporting date 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.

**23 Trade payables (Continue)**

*₹ in Crores*

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | | |
| (a) (i) Principal | 9.84 | 8.72 |
| (ii) Interest | 0.01 | - |
| (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 | - | - |

**24 Assets held for sale and liabilities associated with assets held for sale**

*₹ in Crores*

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| **Assets held for sale** | | |
| Assets of A N Coffeeday International | 0 | 0.00 |
| Assets of Coffee Day Gastronomie Und Kaffeehandles GmbH | - | 2.33 |
| Assets of Coffee Day Global Limited | - | |
| Assets of Coffee Day CZ a.s | - | 3.22 |
| | 0 | 5.55 |
| Less: Impairment | - | - |
| | **0** | **5.55** |
| **Liabilities associated with assets held for sale** | | |
| Advance received for sale of assets | - | - |
| Liabilities of A N Coffeeday International | - | 0.44 |
| Liabilities of Coffee Day Gastronomie Und Kaffeehandles GmbH | - | 3.18 |
| Liabilities of Coffee Day CZ a.s | - | 4.70 |
| | **-** | **8.33** |

**Notes to the consolidated financial statements (continued)**

**25 Revenue from operations**

*₹ in Crores*

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| **Revenue recognised at the point in Time** | | |
| **Sale of products** | | |
| - Sale of food, beverages and other items | 1,028.20 | 975.52 |
| **Service income** | 140.09 | 135.65 |
| **Other operating revenue** | | |
| - Advertisement income | 6.16 | 7.87 |
| Less: GST | (70.01) | (73.20) |
| Less: trade discounts | (10.51) | (11.21) |
| | **1,093.93** | **1,034.63** |

**26 Other income**

*₹ in Crores*

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Interest income | 3.19 | 3.76 |
| Interest on income tax refund | 1.22 | 10.66 |
| Rental income | 0.72 | 0.21 |
| Gain on termination of Lease Contract as per IND AS | 7.93 | 1.47 |
| Profit on sale of asset | 0.02 | 5.27 |
| Others | 9.79 | 2.65 |
| | **22.86** | **24.02** |

**27 Cost of materials consumed**

*₹ in Crores*

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Opening stock of raw coffee, packing materials, perishables, consumables and merchandise | 27.87 | 22.17 |
| Purchases | | |
| - Purchase of coffee beans | 262.77 | 223.25 |
| - Purchase of perishables, consumables, packing materials and others | 295.78 | 304.33 |
| Closing stock of raw coffee, packing materials, perishables, consumables and merchandise | (26.83) | (27.87) |
| | **559.59** | **521.88** |

**29 Employee benefits expense**

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Salaries and wages | 132.54 | 130.15 |
| Contribution to provident and other funds | 11.75 | 11.55 |
| Staff welfare expenses | 0.77 | 0.81 |
| | **145.06** | **142.51** |

## 30 Finance costs

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Interest expense | 38.41 | 47.80 |
| Interest expense on Lease | 30.67 | 29.62 |
| | **69.08** | **77.43** |

## 31 Depreciation and amortization expense

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Depreciation of property, plant and equipment (refer note 4) | 73.32 | 72.49 |
| Depreciation of right-of-use assets (refer note 5) | 55.44 | 51.09 |
| Amortization of intangible assets (refer note 6) | 0.10 | 0.10 |
| | **128.87** | **123.68** |

## 32 Other expenses

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Rent (refer note 45) | 31.53 | 30.30 |
| Transportation, traveling and conveyance | 37.74 | 45.05 |
| Power and fuel | 31.88 | 34.55 |
| Café housekeeping and maintenance | 7.09 | 9.15 |
| Brokerage and commission | 11.90 | 11.73 |
| Grinding and curing charges | - | 1.76 |
| Subcontracting charges | 51.71 | 50.33 |
| Repairs and maintenance | | |
| - buildings | 0.84 | 0.75 |
| - machinery | 13.23 | 11.00 |
| - others | 6.88 | 6.13 |
| Bank, Credit Card, and Cash pick-up charges | 2.43 | 2.45 |
| Legal and professional fees (refer note 32B) | 5.24 | 6.50 |
| Director Sitting fees | 0.24 | 0.20 |
| Advertising and sales promotion | 10.05 | 8.16 |
| Rates and taxes | 2.67 | 1.97 |
| Communication expenses | 4.95 | 4.50 |
| Office maintenance and utilities | 2.44 | 2.15 |
| Insurance | 0.76 | 0.74 |
| Printing and stationery | 0.49 | 0.51 |
| Donation | 0.72 | 0.09 |
| Impairment loss / (reversal) on financial assets measured at amortised cost | 0.04 | 0.83 |
| Software Maintenance Charges | 11.00 | 8.51 |
| Provision for doubtful Deposit * | - | 0.13 |
| Impairment of Assets * | 14.06 | 2.46 |
| Miscellaneous | 1.30 | 1.24 |
| | **249.19** | **241.20** |

* Refer note 41

**32B Auditor's remuneration (included in legal and professional charges and excludes goods and service tax)**

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| As auditor | | |
| - for statutory audit | 0.53 | 0.52 |
| Reimbursement of expenses | 0.02 | 0.02 |
| | **0.55** | **0.54** |

**32C Exceptional items**

Pursuant to New labour codes effective from 21st November 2025, the Company has accounted for Additional Gratuity Liability of Rs 7.65 Crores. The Balance Exceptional item of Rs 43.49 Crores is towards Profit/Loss on One Time Settlement (OTS) with lender, Cancellation of Lease Deed for 10 Acres of Land at Chikkamagaluru and Sale of 5 Acre land at Chikkamagaluru. gain due to Liquidation of Foreign Subsidiaries and subsquent deconsolidation from Books

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## 33 Income tax

### A. Amounts recognised in statement of profit and loss

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| **Current income tax:** | 25.17% | 25.17% |
| Current income tax charge | - | (4.05) |
| Adjustments in respect of current income tax of previous years | - | - |
| | **-** | **(4.05)** |
| **Deferred tax:** | | |
| *Attributable to -* | | |
| Origination and reversal of temporary differences | (10.42) | 131.94 |
| | **(10.42)** | **131.94** |
| **Income tax expense reported in the statement of profit or loss** | **(10.42)** | **127.89** |

### B. Income tax recognised in other comprehensive income

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Effective portion of gains and losses on hedging | - | - |
| Net gain on remeasurement of defined benefit liability | - | (0.07) |
| **Income tax charged to OCI** | **-** | **(0.07)** |

### C. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Accounting profit before income tax | | |
| - from continuing operations | 0.84 | (48.04) |
| Less: Current-year profit of subsidiary companies | (1.85) | (3.73) |
| **Adjusted profit before tax** | 2.69 | (44.31) |
| **Indian Statutory Tax rate** | **25.17** | **25.17** |
| **Tax at India's Statutory tax rate** | 0.68 | (11.15) |
| Impact non-deductible expenses for tax purposes | - | - |
| Others | (11.10) | 139.05 |
| **Income tax expense** | **(10.42)** | **127.89** |

### D. Deferred tax

Deferred tax relates to the following:

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| **Deferred tax assets/ (liabilities)** | | |
| Excess of depreciation allowed under Income Tax Act, 1961 over depreciation as per books | 100.40 | 88.13 |
| Borrowings | - | |
| Security deposit | 0.50 | 4.96 |
| Employee benefits | 2.27 | 2.89 |
| Provision for doubtful debts / advances | 34.38 | 38.08 |
| Right to use assets & lease liability - IndAS 116 | 10.87 | (6.98) |
| Unused tax losses (Net) | 159.52 | 170.45 |
| **Deferred tax assets/ (liability)** | **307.95** | **297.53** |

The Unused Lossess will start expiring from FY 27-28.As per the projection, the company will be making sufficient Profit in the coming years to adjust the future deferred Tax Liability.

**34** Advance to MACEL

"The Securities and Exchange Board of India, (SEBI) issued an order dated January 24th, 2023 directing CDEL, the Holding Company, in the matter of transfer of funds by Subsidiaries of the Company to Mysore Amalgamated Coffee Estates Limited (MACEL) to take all the necessary steps for recovery of entire dues from MACEL and its related entities along with due interest, that are outstanding to the subsidiaries of CDEL. Further, SEBI has directed CDEL to appoint an Independent Law firm in consultation with National Stock Exchange (NSE) within 60 days of this order, to take effective steps for recovery of dues and imposed a penalty of ₹ 25 Crores under section 15HA and ₹ 1 crore under section 15HB of the SEBI Act, 1992 on CDEL.

Thereafter, the Holding Company (CDEL) appealed against the above order dated January 24th, 2023 to the Hon'ble Securities Appellate Tribunal (SAT). However, the SAT granted stay on imposition of penalty.

As directed by NSE, CDEL appointed an Independent Law Firm, Crest Law on April 3rd, 2023 to take effective steps for recovery of dues from MACEL.

M/s Crest Law, in consultation with NSE, initiated an arbitration process for recovery of the amounts due from Macel and the legal process is in progress.

Pending the outcome of the arbitration process, no provision is made in the books of accounts against the amount receivable from MACEL. As on March 31st, 2026 the amount due by MACEL to the company amounts ₹ 979.42 crores. (₹ 995.12 Crores - March 31st, 2025).

**35 Debt Resolution Process**

The Board in its meeting held on February 11th, 2023, decided to initiate a debt resolution process under the Prudential Framework for Resolution of Stressed Assets issued by RBI on June 07th,2019 for loan/borrowings.

As per the "In-Principle" approval received from all the lenders for the proposed Restructuring Plan, interest payable from Jan 24-Mar 26 @8.50% and the same is paid. The plan is awaiting required approval/Execution.

During the Financial year, the lenders have confirmed "that the rate of interest agreed and applicable is 8.5% p.a. or applicable rates as per the terms of In principally agreed restructuring package and that that there are no arrears of interest dues in respect of the loans"

An amount of ₹ 41.67 crores which has devolved on the Company pursuant to invoking of guarantees by lenders of Group Companies has been factored in the Proposed Restructuring plan and the same will be given effect to in the books of accounts on approval of the proposed restructuring plan by the lenders.

**36** The company does not have any investment in / receivable from / payable to / share capital held by / any other outstanding balances with companies which are struck off under section 248 of the Companies Act, 2013.

**37 Contingent liabilities and commitments (to the extent not provided for)**

**₹ in Crores**

| **Particulars** | **As at March 31st, 2026** | **As at March 31st, 2025** |
|---|---|---|
| **Contingent** | | |
| Claims against the Company not acknowledged as debt in respect to | | |
| a) Goods and Service Tax | 19.12 | 20.28 |
| b) VAT | 40.40 | 40.43 |
| c) Service Tax | - | 27.83 |
| **Commitments:** | | |
| Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for | 0.03 | - |

**Notes:**

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. The above amount is net off of amounts deposited under protest to the extent of ₹ 1.29 Crores (31 March 2025: ₹ 2.16 Crores).

iii) The National Company Law Tribunal (NCLT) has taken up an application filed by the Insolvency administrator of Foreign subsidiary "Coffee Day and Kaffeehandels GmbH( Vienna, Austria) for a claim amount of Euro 3,28,767 with interest applicable @9.20 p.a. from Dec 2020. We have filed an objection to the claim made. The party has filed rejoinder to the objections made by us. The legal case is under progress.

iv) The Company's foreign subsidiary, A N Coffee Day, and its step-down subsidiaries, Coffee Day Gastronomie and Coffee Day Czech Republic, have been liquidated. Consequent to the liquidation, the Company has lost control over these entities and accordingly, they have been deconsolidated from the consolidated financial results. The gain on derecognition amounting to Rs 6.95 Crores has been recognised in the Statement of Profit and Loss. The Company is in the process of filing the application with the Reserve Bank of India.

**38 Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the compulsorily convertible debentures) 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

**(i) Reconciliation of earnings used in calculating earnings per share:**

₹ in Crores (except per share data)

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Profit/Loss for the year from continuing operations as per statement of profit and loss | 14.43 | (175.93) |
| **Net profit/Loss for basic earnings per share** | **14.43** | **(175.93)** |
| **Net profit/Loss for diluted earnings per share** | **14.43** | **(175.93)** |

**(ii) Reconciliation of basic and diluted shares used in computing earnings per share -**

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Number of equity shares at the beginning of the year | 19,15,08,844 | 19,15,08,844 |
| *Add: Weighted average number of equity shares issued during the year:* | | |
| **Number of weighted average equity shares considered for calculation of basic earnings per share** | **19,15,08,844** | **19,15,08,844** |
| *Add:* Dilutive effect of convertible debentures | - | - |
| **Number of weighted average equity shares considered for calculation of diluted earnings per share** | **19,15,08,844** | **19,15,08,844** |

* The Compulsorily convertible debentures issued to FMO (subsequently sold by FMO to Multitude Growth Funds Limited (Formerly known as AG Dynamic Funds Limited, Mauritius)) with the convertible option to Equity shares were not included in the above calculation.

**(iii) Earnings per share:**

| | | |
|---|---|---|
| - Basic & Diluted - (₹) | 0.75 | (9.19) |

**39 Segment information**

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, Chairman of the Group has 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 only one business segment viz. retail operations as its operating segment.

**Geographical information**

**(i) Segment Revenue:**

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| **Revenue from external customers:** | | |
| - India | 1,093.44 | 1,034.28 |
| - Europe | 0.49 | 0.35 |
| - Other foreign countries | - | 0.00 |
| **Total segment revenue** | **1,093.93** | **1,034.63** |

**(ii) Segment non-current assets**

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| - India | 350.54 | 492.02 |
| - Europe | - | - |
| **Total** | **350.54** | **492.02** |
| Reconciling items: | | |
| - deferred tax assets | 307.95 | 297.53 |
| - non-current financial assets | 35.19 | 71.17 |
| **Total non-current assets** | **693.68** | **860.72** |

**Revenue from major products and services**
The Group's revenue from continuing operations from its major products or services are as follows:

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Sale of food, beverages and other items | 975.21 | 919.67 |
| Service income from vending machines | 118.72 | 114.96 |

**Information about major customers**
The Group does not derive more than 10% of it's revenues from any single customer.

**40 Government grant**
The Company had in previous years, received a net grant under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (erstwhile Aajeevika Skills Development Programme) as on March 31, 2026, ₹ 14.76 crores (31 March 2025: ₹14.76 crores net amount), launched by the Ministry of Rural Development (MoRD), Government of India, towards providing training facilities.
The unutilised amount of the total grant received as at 31 March 2026 is ₹ 3.25 crores (31 March 2025: ₹ 3.33 crore).

**41** The details of non-recurring expenditure charged to the profit and loss account under the head other expenses during the current year is as below -

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| i) Impairment of Assets | 14.06 | 2.46 |
| ii) Provision for doubtful Deposit | - | 0.13 |
| iii) Provision for doubtful debts | 0.04 | 0.83 |
| | 14.11 | 3.41 |

Note:
i) Impairment of assets is related to demolition of factory building at Chickmagalur upon sale of the underlying land as a part of the settlement of loans, after taking in to consideration the demolition and realisation of salvage value.

ii) Provision for doubtfu debts is towards debtors not realised within one year

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**Notes to the consolidated financial statements (continued)**

42 Aging schedule of Trade Payables

₹ in Crores

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Not Due | |
| **As at March 31st, 2026** | | | | | | |
| (i)MSME | 8.22 | - | - | - | 1.63 | **9.85** |
| (ii)Others | 15.75 | 0.20 | 0.08 | 18.63 | 2.52 | **37.17** |
| (iii) Disputed dues - MSME | - | - | - | - | | **-** |
| (iv) Disputed dues - Others | - | - | - | - | | **-** |
| **Total** | **23.97** | **0.20** | **0.08** | **18.63** | **4.15** | **47.02** |
| **As at March 31st, 2025** | | | | | | |
| (i)MSME | 7.64 | 0.00 | | | 1.08 | **8.72** |
| (ii)Others | 21.88 | 0.13 | 0.04 | 31.82 | 1.29 | **55.15** |
| (iii) Disputed dues - MSME | - | - | - | - | | **-** |
| (iv) Disputed dues - Others | - | - | | - | | **-** |
| **Total** | **29.52** | **0.13** | **0.04** | **31.82** | **2.37** | **63.88** |

43 Aging details of Trade Receivables

₹ in Crores

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Not Due | |
| **As at March 31st, 2026** | | | | | | | |
| **Undisputed** | | | | | | | |
| (i) considered good | 19.32 | 0.86 | 0.02 | 0.02 | - | 39.32 | **59.54** |
| (ii) with significant inc. in credit risk | | | | | | | **-** |
| (iii) credit impaired | 0.00 | 0.01 | 0.68 | 0.33 | 28.05 | - | **29.08** |
| **Disputed** | | | | | | | |
| (iv) considered good | - | - | - | - | - | - | **-** |
| (v) with significant inc. in credit risk | - | - | - | - | - | - | **-** |
| (vi) credit impaired | - | - | - | - | 13.49 | - | **13.49** |
| **Total** | **19.33** | **0.86** | **0.70** | **0.36** | **41.54** | **39.32** | **102.11** |
| **As at March 31st, 2025** | | | | | | | |
| **Undisputed** | | | | | | | |
| (i) considered good | 18.56 | 1.71 | 0.05 | - | - | 41.43 | **61.75** |
| (ii) with significant inc. in credit risk | - | - | - | - | - | - | - |
| (iii) credit impaired | - | - | 1.27 | 1.39 | 64.05 | - | **66.71** |
| **Disputed** | | | | | | | |
| (iv) considered good | - | - | - | - | - | - | **-** |
| (v) with significant inc. in credit risk | - | - | - | - | - | - | **-** |
| (vi) credit impaired | - | - | - | - | 13.49 | | **13.49** |
| **Total** | **18.56** | **1.71** | **1.32** | **1.39** | **77.54** | **41.43** | **141.95** |

**44 Details of financial ratios is as follows**

| Ratio | Numerator | Denominator | Current Period | Previous Period | % Variance | Reason for variance |
|---|---|---|---|---|---|---|
| Current Ratio | Current Assets | Current Liabilities | 1.18 | 1.00 | 18.82% | |
| Debt-equity ratio | Borrowings + Lease liability (Current and Non Current) | Total equity | 2.08 | 2.42 | -13.80% | Due to repayment of loans and realignment of debt |
| Debt Service Coverage Ratio | Profit / (loss) before depreciation, interest and tax | Debt Service = Interest & Lease Payments + Principal Repayments | 0.32 | 0.24 | 35.41% | Due to improvement in business |
| Return on Equity Ratio | Profit / (Loss) after tax | Equity | 75% | -919% | 108.20% | Due to improvement in business |
| Inventory turnover ratio | Cost of goods sold | Average Inventory (excl. spares) | 20.46 | 20.86 | -1.91% | Due to improvement in business |
| Trade Receivables turnover ratio | Gross Revenue | Average Trade receivables (Gross of ECL) | 9.05 | 7.56 | 19.74% | Due to Improvement in collection |
| Trade payables turnover ratio | Purchases | Average Trade payables | 10.07 | 8.26 | 21.96% | Due to increase of the business. |
| Net capital turnover ratio | Net Revenue | Current Assets - Current Liabilities | 3.27 | 156.80 | -97.92% | Due to increase of the business and and reclassification of debt |
| Net profit ratio | Profit / (Loss) after tax | Net Revenue | 1% | -17% | 106.56% | Due to Improvement in business |
| Return on capital employed | Profit / (loss) before interest and tax | Tangible Net Worth + Total Debt + Deferred Tax Liability (if any) | 3% | 2% | -26.9% | Due to Improvement in business |

**45 Leases**

**Company as a Lessee**

a) The company's lease assets primarily consists of leases for land and buildings. The company has recognised right-of-use assets and lease liability in respect of these leases on adoption of Ind AS 116. The lease liability is secured by the respective security deposits. The lease liability terms varies between 2 to 11 years, and are payable in monthly instalments.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1st, 2019 is 12.50%.

b) On pre-mature termination of lease contract the related right-of-use asset and lease liability is de-recognised and the differential amount is recognised in profit and loss account.

c) **For details of changes in the carrying value of Right Of Use assets refer note no.5**

d) **The following is the movement in lease liabilities during year ended March 31st, 2026**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Balance as at the beginning of the year | 244.05 | 199.77 |
| Finance cost accrued during the period | 30.67 | 29.62 |
| New leases entered during the year | 56.41 | 101.46 |
| Deletion on termination of leases during the year | (6.30) | (4.30) |
| Payment of Lease liabilities | (80.65) | (82.51) |
| **Balance** | **244.17** | **244.05** |

**The following is the break-up of current and non-current lease liabilities as at March 31st, 2026**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Current Lease Liability | 57.86 | 50.43 |
| Non Current Lease Liability | 186.32 | 193.62 |
| **Total** | **244.17** | **244.05** |

e) **The table below provides the details of minimum lease payments and their present values:**

₹ in Crores

| Particulars | As at March 31st, 2026 | | As at March 31st, 2025 | |
|---|---|---|---|---|
| | Minimum lease payments | Net present value | Minimum lease payments | Net present value |
| Not later than 1 year | 78.24 | 70.72 | 67.23 | 44.29 |
| Later than 1 year and not later than 5 years | 183.02 | 133.46 | 171.19 | 142.85 |
| More than 5 years | 80.56 | 39.99 | 75.41 | 56.91 |

f) Other Notes:

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| i)Rental expenses recognised in Profit & Loss statement, in respect of low value leases, revenue sharing leases and short term leases, for which Ind AS 116 has not been applied, is | 31.53 | 30.30 |

**46 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 (%) | |
|---|---|---|---|---|---|---|
| | | | March 31st, 2026 | March 31st, 2025 | March 31st, 2026 | March 31st, 2025 |
| A.N Coffeeday International Limited | Cyprus | Investment | - | 100.00 | - | - |
| Classic Coffee Curing Works | India | Coffee Curing | 100.00 | 100.00 | - | - |
| Coffeelab Limited | India | Retail | 100.00 | 100.00 | - | - |
| Coffee Day Gastronomie Und Kaffeehandles GmbH | Austria | Retail | - | 100.00 | - | - |
| Coffee Day CZ a.s | Czech Republic | Retail | - | 100.00 | - | - |

**B. Joint venture company and its subsidiaries**

(i) Coffee Day Schaerer Technologies Private Limited ("CDSTPL") manufactures and sells automatic and semi-automatic coffee vending machines, its components and spare parts. Coffee Day Consultancy Services Private Limited is holding company of Coffee Day Econ Private Limited, which is an operational company and is into the retail business of coffee and other essential items.

₹ in Crores

| Name of the entity | Country of incorporation | % of ownership interest | Relationship | Accounting method | Carrying amount (Gross off of provision) | |
|---|---|---|---|---|---|---|
| | | | | | March 31st, 2026 | March 31st, 2025 |
| Coffee Day Schaerer Technologies Private Limited | India | 49.00 | Joint venture | Equity method | 3.16 | - |
| Coffee Day Consultancy Services Private Limited and its subsidiary Coffee Day Econ Private Limited | India | 48.96 | Joint venture | Equity method | 6.50 | 6.50 |

**(ii) Summarised financial information about the joint venture company and the carrying amount of the Group's interest in the joint venture company:**

₹ in Crores

| Summarised balance sheet | Coffee Day Schaerer Technologies Pvt Ltd* As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| **Current assets:** | | |
| - Cash and cash equivalents | 0.00 | 0.00 |
| - Other current assets | - | 0.91 |
| **Total** | **0.00** | **0.91** |
| **Non-current assets** | **-** | **0.10** |
| **Current liabilities:** | | |
| - Financial liabilities (excluding trade payables) | - | 4.23 |
| - Trade payables | - | 3.22 |
| - Other current liabilities | - | - |
| **Total** | **-** | **7.45** |
| **Non-current liabilities:** | | |
| - Other financial liabilities | - | - |
| - Provisions | - | 0.01 |
| **Total** | **-** | **0.01** |
| **Net assets** | **0.00** | **(6.45)** |
| Group's share of net assets in % | 49.00% | 49.00% |
| Group's share of net assets | 0.00 | (3.16) |
| **Carrying amount of interest in joint venture** | | **-** |

The financial statement of Coffeeday Consultancy Services P Ltd. is not drawn up for the year ended March 31st, 2022 and thereafter, and accordingly equity accounting is not updated for both the years. However the entire investment has been impaired.

**46 Interest in other entities (continued)**

**B. Joint venture company (continued)**

**(ii) Summarised financial information about the joint venture company and the carrying amount of the Group's interest in the joint venture company (continued):**

₹ in Crores

| Summarised statement of profit and loss | Coffee Day Schaerer Technologies Pvt Ltd For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Revenue | 8.15 | 0.25 |
| Other income | | |
| **Total income** | **8.15** | **0.25** |
| Cost of materials consumed | 0.12 | 0.00 |
| Purchase of stock-in-trade | | - |
| Changes in inventories of finished goods and work-in-progress | 0.33 | - |
| Employee benefits expense | - | (0.01) |
| Depreciation and amortization | 0.04 | 0.03 |
| Other expenses | 1.20 | 0.37 |
| **Total expenses** | **1.70** | **0.40** |
| Loss from operations for the year | 6.46 | (0.15) |
| Other comprehensive income | | - |
| **Total comprehensive income** | **6.46** | **(0.15)** |
| **Group's share of total comprehensive income restricted to the cost of investment** | **-** | **-** |

The financial statement of Coffeeday Consultancy Services P Ltd. is not drawn up for the year ended March 31st, 2022 and thereafter, and accordingly equity accounting is not updated for both the years. However the entire investment has been impaired.

**47 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 March 31st, 2026 is as follows:

₹ in Crores

| 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 | 100.71% | 461.66 | 90.69% | 13.08 | 100.31% | (2.27) | 88.90% | 10.81 |
| ***Indian subsidiaries*** | | | | | | | | |
| Classic Coffee Curing Works | -0.71% | (3.25) | -14.03% | (2.02) | 0.00% | - | -16.65% | (2.02) |
| Coffeelab Limited | -0.15% | (0.67) | 1.42% | 0.20 | -0.31% | 0.01 | 1.74% | 0.21 |
| ***Joint ventures (investment as per the equity method)*** | | | | | | | | |
| ***Indian*** | | | | | | | | |
| Coffee Day Schaerer Technologies Private Limited | 0.69% | 3.16 | 21.93% | 3.16 | 0.00% | - | 26.01% | 3.16 |
| Coffee Day Consultancy Services Private Limited(and its subsidiary Coffee Day Econ Private Limited) | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| **Total** | **100.00%** | **460.90** | **100.00%** | **14.43** | **100.00%** | **(2.27)** | **100.00%** | **12.16** |

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 March 31st, 2025 is as follows:

| 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 | Amount | As % of consolidated | Amount | As % of consolidated other comprehensive | Amount | As % of consolidated total comprehensive | Amount |
| ***Parent company*** | | | | | | | | |
| Coffee Day Global Limited | 80.32% | 370.24 | 97.96% | (172.10) | 97.38% | 0.19 | 97.96% | (171.91) |
| ***Indian subsidiaries*** | | | | | | | | |
| Classic Coffee Curing Works | -0.27% | (1.23) | 2.15% | (3.82) | 0.00% | - | 2.16% | (3.82) |
| Coffeelab Limited | -0.19% | (0.88) | -0.11% | 0.20 | 2.62% | 0.01 | -0.11% | 0.20 |
| ***Foreign subsidiaries*** | | | | | | | | - |
| A.N Coffeeday International Limited | 19.45% | 88.08 | 0.00% | - | 0.00% | - | 0.00% | - |
| Coffee Day Gastronomie Und Kaffeehandles GmbH | -0.24% | (1.09) | 0.00% | - | 0.00% | - | 0.00% | - |
| Coffee Day CZ a.s | -0.49% | (2.23) | 0.00% | - | 0.00% | - | 0.00% | - |
| ***Joint ventures (investment as per the equity method)*** | | | | | | | | - |
| ***Indian*** | | | | | | | | - |
| Coffee Day Schaerer Technologies Private Limited | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| Coffee Day Consultancy Services Private Limited(and its subsidiary Coffee Day Econ Private Limited) | 0.00% | | 0.00% | - | 0.00% | - | 0.00% | - |
| | **98.57%** | **452.90** | **100.00%** | **(175.73)** | **100.00%** | **0.20** | **100.00%** | **(175.53)** |

**48 Related party disclosures**

**A. Details of related parties:**

**I. Parent entity**
- Coffee Day Enterprises Limited

**II. Joint Venture**
- Coffee Day Schaerer Technologies Private Limited
- Coffee Day Consultancy Services Private Limited (CDCSPL)
- Coffee Day Econ Private Limited (subsidiary of CDCSPL)

**III. Other related parties with whom transactions have taken place:**
- Tanglin Developments Limited
- Mysore Amalgamated Coffee Estates Limited
- Dark Forest Furniture Company Private Limited
- Coffee Day Hotels and Resorts Private Limited
- Karnataka Wildlife Resorts Private Limited
- AC & C Hospitality Resorts LLP
- Barefoot Resorts And Leisure India Pvt. Ltd
- SVGH Eductaion Trust
- Prema Krishna
- Mahadeswara Enterprises

**IV. Key management personnel of the entity**
- Malavika Hegde
- Jayraj Hubli, Chief Financial Officer
- Sadananda Poojary - Company Secretary

**Non Executive/Independent Directors are**
- K R Mohan
- Giri Devanur (Resigned on 04/10/2025)
-Bokkasa Chandrashekar Roa (Appointed on 06/5/2025)
-S V Ranganath (Tenure ended on 06/5/2025)
-Vasundhara Devi (Appointed on 14/11/2024)

**V Close Member of Key Management Personnel**
-Amarthya Hegde

**B. Transactions with related parties:**

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| **I. Parent entity:** Coffee Day Enterprises Limited | | |
| Reimbursable expenses incurred by the Company | 0.30 | 0.29 |
| Reimbursable expenses incurred on behalf of the Company | | |
| Sale of consumables | 0.02 | 0.02 |
| Rental Income | | |
| Commission Income | | |
| Interest paid | 0.12 | |
| Loan received/Assigned * | 100.00 | |
| Intercorporate deposit returned | 4.47 | 3.30 |
| Intercorporate deposit given | | 3.53 |
| * Loan assigned from Tanglin Development Ltd-Rs 90 Crs | | |
| **II. Joint Venture** | | |
| **Reimbursable expenses incurred by the Company on behalf of** | | |
| - Coffee Day Schaerer Technologies Private Limited | 0.01 | 0.00 |
| **III. Other related parties with whom transactions have taken place:** | | |
| **Sale of coffee and service income** | | |
| - Karnataka Wild Life Resorts Private Limited | - | 0.01 |
| - Barefoot Resorts And Leisure India Pvt. Ltd | 0.02 | 0.01 |
| - AC & C Hospitality Resorts LLP | 0.07 | 0.05 |
| **Rent paid** | | |
| - Prema Krishna | 0.02 | 0.03 |
| - Mahadeswara Enterprises | 0.14 | 0.11 |
| **IV. Close member of Key Management Personnel** | | |
| -Amarthya Hegde | 0.24 | 0.24 |

**48 Related party disclosures (continued)**

**B. Transactions with related parties(continued)**

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| **Repayment of advances from** | | |
| - Mysore Amalgamated Coffee Estates Limited | 15.70 | - |
| **Loan received from** | | |
| - Tanglin Developments Limited | 43.07 | - |
| **Loan repaid/Assigned *** | | |
| - Tanglin Developments Limited | 102.28 | |
| **IV. Key management personnel of the entity** | | |
| **Key management personnel compensation (refer note 48D)** | | |
| - Jayraj Hubli | 2.02 | 1.97 |
| - Sadananda Poojary * | 1.84 | 1.68 |
| (* net off of reimbursement from group company ₹ 0.30 Crores (31st March 2025 ₹ 0.30 crores) | | |

* Loan assigned to Coffee Day Enterprises Limited -Rs 90 Crs

**C. The following is a summary of balances receivable from and payable to related parties:**

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| **I. Parent entity:** Coffee Day Enterprises Limited | | |
| - Other receivables | 0.00 | 0.94 |
| - Inter-corporate deposits taken | 99.82 | |
| Intercorporate deposit given | - | 3.53 |
| - Corporate gurantee given | - | 130.00 |
| **II. Joint Venture** | | |
| **Reiumbursement of expenses receivable** | | |
| - Coffee Day Schaerer Technologies Private Limited | 1.78 | 2.38 |
| **Trade Receivable** | | |
| - Coffee Day Econ Private Limited | 19.40 | 19.40 |
| **Provision for doubtful debts** | | |
| - Coffee Day Econ Private Limited | 19.40 | 19.40 |
| **Loans** | | |
| - Coffee Day Consutlancy Services Private Limited | 0.45 | 0.45 |
| **Provision for doubtful advances** | | |
| - Coffee Day Consultancy Services Private Limited (CDCSPL) | 0.45 | 0.45 |
| **III. Other related parties with whom transactions have taken place:** | | |
| **Trade receivables** | | |
| - Coffee Day Hotels and Resorts Private Limited | 0.08 | 0.08 |
| - SVGH Eductaion Trust | 0.01 | 0.01 |
| - Barefoot Resorts And Leisure India Pvt. Ltd | 0.01 | 0.00 |
| - AC & C Hospitality Resorts LLP | 0.01 | 0.02 |
| **Creditors for capital goods** | | |
| **Capital advance** | | |
| - Dark Forest Furniture Company Private Limited | 24.52 | 24.52 |
| **Provision for doubtful advances** | | |
| - Dark Forest Furniture Company Private Limited | 24.52 | 24.52 |
| **Other advance** | | |
| - Mysore Amalgamated Coffee Estates Limited | 979.42 | 995.12 |
| **Other Payables** | | |
| - Prema Krishna | 0.15 | 0.15 |
| - Mahadeswara Enterprises | 0.01 | 0.01 |
| **Inter-corporate deposits taken** | | |
| - Tanglin Developments Limited | 129.91 | 189.11 |

**48 Related party disclosures (continued)**

**C. The following is a summary of balances receivable from and payable to related parties (continued)**

**V. Key management personnel of the Company:**

**Personal guarantee received for loans taken**

| | | |
|---|---|---|
| - V. G. Siddhartha | 469.69 | 669.20 |

Late Mr.V.G.Siddhartha has demised on 31st July 2019. The lenders have not made any changes to the terms with respect to his personal guarantee for the loans provided by them to the company.

**D. Compensation of key management personnel of the Company:**

The remuneration of directors and other members of key management personnel during the year was as follows:

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| Short-term employee benefits | 4.10 | 3.83 |
| Post-Employment Benefits | - | 0.03 |
| Other Long-Term Benefits | - | - |
| Termination Benefits | - | - |
| | 4.10 | 3.86 |

(* net off of reimbursement from group company ₹ 0.30 Crores (31st March 2025 ₹ 0.30 crores)

The remuneration of directors and key executives is determined by the remuneration committee 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 Company as a whole.

**E. Terms and conditions**

Terms and conditions on which inter-corporate loans have been given:

| Party name | Nature of relationship | Interest rate | Repayment terms |
|---|---|---|---|
| Coffee Day Enterprises Limited | Holding Company | 10% | On demand |

All transactions and outstanding balances with these related parties are priced on an arm's length basis and are to be settled within the credit period allowed as per the policy. None of the balances are secured.

**49 Employee benefits obligations**

**A Defined contribution plan**

The Company has a defined benefit gratuity plan in India, governed by the Social Security Code 2020. 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. 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**

₹ in Crores

| Particulars | For the year ended March 31st, 2026 | For the year ended March 31st, 2025 |
|---|---|---|
| **Change in projected benefit obligation:** | | |
| Obligations at the beginning of the year | 16.44 | 15.36 |
| Service cost | 2.46 | 2.22 |
| Past Service cost | 7.75 | - |
| Interest cost | 0.90 | 0.83 |
| Actuarial (gains) losses recognised in other comprehensive income: | - | - |
| - due to changes in financial assumptions | (0.02) | 0.17 |
| - due to changes in demographic assumptions | - | - |
| - due to experience adjustments | 1.88 | (0.27) |
| Others | - | - |
| Benefits settled | (3.31) | (1.86) |
| Divestiture | - | - |
| **Obligations at year end** | **26.12** | **16.44** |

**49 Employee benefits obligations (Continue)**

**Change in plan assets:**

₹ in Crores

| **Particulars** | **For the year ended March 31st, 2026** | **For the year ended March 31st, 2025** |
|---|---|---|
| Plans assets at the beginning of the year, at fair value | 8.06 | 7.22 |
| Expected return on plan assets | 0.52 | 0.52 |
| Actuarial (loss)/gain | -0.39 | 0.17 |
| Contributions | 8.65 | 2.01 |
| Others | 0.00 | - |
| Benefits settled | (3.31) | (1.86) |
| Divestiture | | |
| **Plans assets at year end, at fair value** | **13.53** | **8.06** |

**Reconciliation of present value of obligation and fair value of plan assets:**

₹ in Crores

| **Particulars** | **As at March 31st, 2026** | **As at March 31st, 2025** |
|---|---|---|
| Net defined benefit assets | 13.53 | 8.06 |
| **Total employee benefit assets (non-current)** | **13.53** | **8.06** |
| Net defined benefit liability | 26.12 | 16.44 |
| **Total employee benefit liabilities** | **26.12** | **16.44** |
| **Net liability:** | **12.59** | **8.38** |
| Non-current | 12.31 | 8.22 |
| Current | 0.28 | 0.16 |
| | **12.59** | **8.38** |

**C (i) Expense recognised in statement of profit and loss:**

₹ in Crores

| **Particulars** | **For the year ended March 31st, 2026** | **For the year ended March 31st, 2025** |
|---|---|---|
| Current service cost | 2.46 | 2.22 |
| Interest cost | 0.90 | 0.83 |
| Interest income | (0.52) | (0.52) |
| Past Service Cost | 7.75 | - |
| **Net gratuity cost** | **10.59** | **2.52** |

**(ii) Remeasurements recognised in other comprehensive income:**

₹ in Crores

| **Particulars** | **For the year ended March 31st, 2026** | **For the year ended March 31st, 2025** |
|---|---|---|
| Actuarial (gains) / losses | 1.87 | (0.10) |
| (Return)/ loss on plan assets excluding interest income | 0.39 | (0.17) |
| | **2.26** | **(0.27)** |

**D** Plan assets comprise of the funds amounting to ₹ 13.53 crore (31 March 2025: ₹ 8.06 crore).

**E Defined benefit obligation**

**(i) Actuarial assumptions**

Principal actuarial assumptions at the reporting date:

| **Particulars** | **For the year ended March 31st, 2026** | **For the year ended March 31st, 2025** |
|---|---|---|
| Interest rate | 6.56% | 6.53% |
| Expected rate of return on plan assets | | |
| Salary increase | 6.50% | 6.50% |
| Attrition rate | 40.00% | 40.00% |
| Mortality table | IALM (2012-14)Ultimate | IALM (2012-14)Ultimate |

**49 Employee benefits obligations (Continue)**
**E Defined benefit obligation (continued)**

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) Risk Characteristics of the Defined Benefit Plan**
**a) Investment risk**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period

**b) Market Risk (Discount rate)**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**c) Longevity Risk**
The impact of longevity risk will depend on whether the benefits are paid before retirement age or after . Typically for the benefits paid on or before the retirement age , the longevity risk is not very material.

**d) Actuarial Risk**
**Salary Increase Assumption**

Actual Salary increase that are higher than the assumed salary escalation , will result in increase to the Obligation at a rate that is higher than expected
**Attrition/Withdrawal Assumption**

If actual withdrawal rates are higher than assumed withdrawal rates, the benefits will be paid earlier than expected. Similarly if the actual withdrawal rates are lower than assumed, the benefits will be paid later than expected. The impact of this will depend on the demography of the company and the financials assumptions.

e) Regulatory Risk
Any Changes to the current Regulations by the Government, will increase (in most cases) or Decrease the obligation which is not anticapated. Sometimes, the increase is many fold which will impact the financials quite significantly.

**(iii) 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.

**₹ in Crores**

| **Particulars** | **For the year ended March 31st, 2026** | | **For the year ended March 31st, 2025** | |
|---|---|---|---|---|
| | **Increase** | **Decrease** | **Increase** | **Decrease** |
| Discount rate (100 basis points movement) | 25.66 | 26.61 | 16.17 | 16.72 |
| Future salary growth (100 basis points movement) | 26.61 | 25.65 | 16.72 | 16.16 |

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.

**iv) Maturity Profile of Defined Benefit Obligation**

**Expected Future Cashflows**

**₹ in Crores**

| **Year** | **March 31st, 2026** | **March 31st, 2025** |
|---|---|---|
| Year 1 | 10.75 | 7.99 |
| Year 2 | 6.90 | 3.86 |
| Year 3 | 4.58 | 2.40 |
| Year 4 | 2.95 | 1.63 |
| Year 5 | 1.90 | 1.04 |
| Years 6-10 | 2.52 | 1.51 |
| Years 10 and above | 0.20 | 0.14 |

**49 Employee benefits obligations (Continue)**

**E Defined benefit obligation (continued)**

₹ in Crores

**v) Components of Defined Benefit Cost for Next Year**

| Particulars | 01/04/2026 to 31/3/2027 |
|---|---|
| Service cost | |
| a. Current service cost | 3.29 |
| b. Past service cost | - |
| c. Gain/loss on settlement | - |
| d. Total service cost | 3.29 |
| Net interest cost | - |
| a Interest expenses on DBO | 1.36 |
| b. Interest (income) on plan assets | (0.89) |
| c. Interest expense on effect of (asset ceiling) | - |
| d. Total net interest cost | 0.47 |
| Administrative Expenses and Taxes | - |
| Defined Benefit cost included in P&L | 3.76 |
| Expected Company Contributions for the Next Year | 10.46 |

₹ in Crores

**vi) Plan Assets**

| Particulars | 01/04/2024 to 31/3/2025 | 01/04/2025 to 31/3/2026 |
|---|---|---|
| The weighted-average asset allocations at the year end were as follows: | | |
| Equities | 0.00% | 0.00% |
| Bonds | 0.00% | 0.00% |
| Gilts | 0.00% | 0.00% |
| Pooled assets with an insurance company | 100% | 100% |
| Other | 0.00% | 0.00% |
| **Total** | 100% | 100% |
| **Actual return on plan assets** | 0.68 | 0.14 |

The scheme is funded through a Trust and the funds are manged by a life Insurance company

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**50 Financial instruments - Fair values and risk 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.

₹ in Crores

| Particulars | Carrying value as at March 31st, 2026 | Fair value (Refer note below) Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|
| **Financial assets measured at amortised cost:** | | | | | |
| - Other financial assets | 1,026.67 | - | - | - | - |
| - Trade receivables | 59.54 | - | - | - | - |
| - Cash and cash equivalents | 13.69 | - | - | - | - |
| - Bank balances | 0.78 | - | - | - | - |
| - Loans | 0.69 | - | - | - | - |
| **Total** | **1,101.37** | **-** | **-** | **-** | **-** |
| **Financial liabilities measured at amortised cost:** | | | | | |
| - Borrowings | 716.47 | - | - | - | - |
| - Lease Liability | 244.17 | - | - | - | - |
| - Other financial liabilities | 276.10 | - | - | - | - |
| - Trade payables | 47.02 | - | - | - | - |
| **Total** | **1,283.77** | **-** | **-** | **-** | **-** |

**Note :** 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 equivalent, other current financial assets, loans, borrowings with fluctuating interest rate, other non-current financial liabilities, trade payables and other current financial liabilities as their carrying amounts are a reasonable approximation of fair value.

₹ in Crores

| Particulars | Carrying value as at March 31st, 2025 | Fair value (Refer note below) Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|
| **Financial assets measured at amortised cost:** | | | | | |
| - Other financial assets | 1,071.36 | - | - | - | - |
| - Trade receivables | 61.75 | - | - | - | - |
| - Cash and cash equivalents | 5.26 | - | - | - | - |
| - Bank balances | 0.74 | - | - | - | - |
| - Loans | 5.60 | - | - | - | - |
| **Total** | **1,144.70** | **-** | **-** | **-** | **-** |
| **Financial liabilities measured at amortised cost:** | | | | | |
| - Borrowings | 851.08 | - | - | - | - |
| - Lease Liability | 244.05 | - | - | - | - |
| - Other financial liabilities | 305.81 | - | - | - | - |
| - Trade payables | 63.87 | - | - | - | - |
| **Total** | **1,464.81** | **-** | **-** | **-** | **-** |

**Note :** 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 equivalent, other current financial assets, loans, borrowings with fluctuating interest rate, other non-current financial liabilities, trade payables and other current financial liabilities as 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 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 3.

| Financial instruments measured at | Type | Valuation Technique | Significant unobservable inputs | Inter relationship between significant unobservable inputs and fair value measurement |
|---|---|---|---|---|
| Amortised 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 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.

**50 Financial instruments - Fair values and risk measurement (continued)**

**C. Financial risk management (continued)**

**(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 March 31 st, 2026 and March 31 st, 2025 :***

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 credit impaired/ doubtful and provision is created for the balance.
- Receivables from retail operations: Receivables above 6 months are considered to be credit impaired/ 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:

₹ in Crores

| | As at March 31st, 2026 | | As at March 31st, 2025 | |
|---|---|---|---|---|
| | Gross Carrying amount | Provision amount | Gross Carrying amount | Provision amount |
| Unsecured, considered good | 59.54 | - | 61.75 | - |
| Credit impaired | 42.57 | 42.57 | 80.20 | 80.20 |
| | 102.11 | 42.57 | 141.95 | 80.20 |

**Reconciliation of loss allowance:**

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Loss allowance in the beginning of the year | 80.20 | 79.37 |
| Changes in allowance | (37.64) | 0.83 |
| **Loss allowance at the end of the year** | 42.57 | 80.20 |

***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:

₹ in Crores

| Particulars | | Year ended | Asset company | 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 | March 31st, 2026 | Loan | 1.14 | - | 0.45 | 0.69 |
| | | | Security deposits | 34.08 | - | 2.00 | 32.08 |
| Loss allowance measured at 12 month expected credit loss | Financial assets for which credit risk has not increased significantly since initial recognition | March 31st, 2025 | Loan | 6.05 | - | 0.45 | 5.60 |
| | | | Security deposits | 65.32 | - | 18.35 | 46.97 |

**(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.

₹ in Crores

| As at March 31st, 2026 | Carrying amount | Total | Less than 1 year | 1-2 years | 2-5 years | More than 5 years |
|---|---|---|---|---|---|---|
| **Non-derivative financial liabilities** | | | | | | |
| Current borrowings | 511.47 | 511.47 | 511.47 | - | - | - |
| Non-current borrowings | 205.01 | 205.01 | - | 16.52 | 81.95 | 106.54 |
| Lease Liability | 244.17 | 244.17 | 57.86 | 12.86 | 133.46 | 39.99 |
| Trade payables | 47.02 | 47.02 | 28.11 | 0.20 | 0.08 | 18.63 |
| Other financial liabilities | 276.10 | 276.10 | 276.10 | - | - | - |
| | 1,283.77 | 1,283.77 | 873.54 | 29.58 | 215.49 | 165.16 |

50 Financial instruments - Fair values and risk measurement (continued)
C. Financial risk management (continued)
(iii) Liquidity risk (Continued)

₹ in Crores

| As at March 31st, 2025 | Carrying amount | Total | Less than 1 year | 1-2 years | 2-5 years | More than 5 years |
|---|---|---|---|---|---|---|
| **Non-derivative financial liabilities** | | | | | | |
| Current borrowings | 650.58 | 650.58 | 650.58 | - | - | - |
| Non-current borrowings | 200.50 | 200.51 | 18.71 | 9.11 | 13.48 | 159.21 |
| Lease Liability | 244.05 | 244.05 | 50.43 | 35.20 | 101.51 | 56.91 |
| Trade payables | 63.87 | 63.87 | 31.88 | 0.13 | 17.25 | 14.61 |
| Other financial liabilities | 305.81 | 305.81 | 305.81 | - | - | - |
| | 1,464.81 | 1,464.81 | 1,057.40 | 44.44 | 132.24 | 230.73 |

**(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: ₹ in Crores

| Particulars | As at March 31st, 2026 | | | As at March 31st, 2025 | | |
|---|---|---|---|---|---|---|
| | USD | EUR | JPY | USD | EUR | JPY |
| Trade receivables | - | 0.09 | - | - | - | - |
| Other current financial liabilities | - | - | - | - | - | - |
| Trade payables | - | - | - | - | - | - |
| Loan from banks | - | - | - | - | - | - |
| **Net statement of financial position exposure** | - | 0.09 | - | - | - | - |

The following significant exchange rates have been applied: ₹ in Crores

| | Year-end spot rate | |
|---|---|---|
| INR | 31st March 2026 | 31st March 2025 |
| USD 1 | 93.48 | 86.20 |
| EUR 1 | 108.05 | 93.01 |

**Sensitivity analysis**

Since the company does not have any material exposure to Foreign currency, there is no material impact

₹ in Crores

| Particulars | Profit or loss | | Equity, net of tax | |
|---|---|---|---|---|
| | Strengthening | Weakening | Strengthening | Weakening |
| **March 31st, 2026** | | | | |
| USD (3% movement) | - | - | - | - |
| Euro (1% movement) | (1.49) | 1.49 | - | - |
| **March 31st, 2025** | | | | |
| USD (3% movement) | - | - | - | - |
| Euro (1% movement) | - | - | - | - |

***Commodity price risk***

The Company purchases coffee on an ongoing basis for its operations. Its operating activities require the ongoing purchase and sale of coffee and therefore require a continuous supply of coffee. The Company'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, the Company hedges the price using forward commodity contracts. The company is not exposed to any commodity risk as at March 31st, 2026 and March 31st, 2025.

***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 :

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Fixed rate instruments: | | |
| Financial assets | 15.43 | 46.33 |
| Financial borrowings | (716.47) | (851.08) |
| **Fixed rate instruments exposed to interest rate risks** | (701.04) | (804.75) |
| Variable rate instruments: | | |
| Financial borrowings | - | - |
| **Variable rate instruments exposed to interest rate risks** | - | - |

**Sensitivity analysis**

*Fair value sensitivity analysis for fixed-rate instruments*

The Company 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.

₹ in Crores

| Particulars | Profit or loss | |
|---|---|---|
| | 1% increase | 1% decrease |
| **March 31st, 2026** | | |
| Variable rate instruments | - | - |
| **March 31st, 2025** | | |
| Variable rate instruments | - | - |

**Additional Regulatory Information Required under Division II to Schedule III of the Companies Act 2013**

| S.No | Disclosure requirement as per Amended Schedule III | Remarks |
|---|---|---|
| 1 | Title deeds of Immovable Property not held in name of the Company | The Company does not have any immovable properties which are not held in its Own name, Hence disclosure under this clause is not applicable |
| 2 | Investment property valuation by registered valuer | The company does not have any investment property, Hence disclosure under this clause is not applicable. |
| 3 | Revaluation of Property , Plant & Equipment | The Company has not revalued Property, Plant & Equipment during the Current financial year, Hence disclosure under this clause is not applicable |
| 4 | Revaluation of Intangible Assets | The Company has not revalued any Intangible Assets during the current financial year, Hence disclosure under this clause is not applicable |
| 5 | Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties | Refer to Note 14 |
| 6 | Capital-Work-in Progress (CWIP) | Refer to Note 4 |
| 7 | Intangible assets under development | Nil |
| 8 | Details of Benami Property held | The Company has no Benami Property |
| 9 | Borrowings from banks or financial institutions on the basis of security of current assets | The Company had availed borrowings and there were no discrepancy noted during the year. |
| 10 | Wilful Defaulter | The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender,Hence disclosure under this clause is not applicable |
| 11 | Relationship with Struck off Companies | Refer to Note 36 |
| 12 | Registration of charges or satisfaction with Registrar of Companies (ROC) | There were no charges which were not registered / satisfied with Register of Companies |
| 13 | Compliance with number of layers of companies | The Group has complied with the no of layers of companies as per Companies Act, 2013 |
| 14 | Anyaltical Ratios | Refer to No 44 |
| 15 | Compliance with approved Scheme(s) of Arrangements | The Company has no Scheme of Amalgamations approved or pending for approval by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013. |
| 16 | Utilisation of Borrowed funds and share premium | (a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;<br><br>(b) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; |
| 17 | Undisclosed income | Nil |
| 18 | Corporate Social Responsibility (CSR) | The Company is not required to Contribute under Provisions of u/s 135 (CSR) of the Companies Act 2013, Hence disclosure under this clause is not applicable. |
| 19 | Details of Crypto Currency or Virtual Currency | The Company has not Traded or invested in cryto currency or virtual currency, Hence disclosure under this clause is not applicable. |

**51 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 the respective dates (mentioned below) was as follows.

₹ in Crores

| Particulars | As at March 31st, 2026 | As at March 31st, 2025 |
|---|---|---|
| Total liabilities | 789.94 | 955.30 |
| Less: Cash and cash equivalents | 13.69 | 5.26 |
| Less: Bank balances other than cash and cash equivalents | 0.78 | 0.74 |
| **Adjusted net debt** | **775.47** | **949.30** |
| Total equity | 460.90 | 452.90 |
| Less: effective portion of cash flow hedges | - | - |
| **Adjusted equity** | **460.90** | **452.90** |
| **Adjusted net debt to equity ratio** | **1.68** | **2.10** |

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.

**52** Previous years' figures have been regrouped / reclassified / restated wherever necessary to confirm to current years' classification.

As per our report of even date attached.

**For Venkatesh & Co.,**
Chartered Accountants
Firm Registration No: FRN 004636S

for and on behalf of the Board of Directors of
**Coffee Day Global Limited**

***-Sd-***
**CA Hrishikesh D**
Partner
Membership No: 272865

***-Sd-***
**Malavika Hegde**
*Whole Time Director*
DIN: 00136524

***-Sd-***
**K R Mohan**
**Director**
DIN: 01718628

UDIN : 26272865IOJFPV9841
Place: Bangalore
Date: May 27th, 2026

***-Sd-***
**Jayraj C Hubli**
Chief Financial Officer
M.No.24460

***-Sd-***
**Sadananda Poojary**
Company Secretary
M.No.5223

22 May 2026

THE SHAREHOLDERS,
COFFEE DAY ENTERPRISES LTD.
23/2, Coffee Day Square,
Vittal Mallya Road,
Bengaluru – 560 001

Sir/Ma'am,

***Subject:*** Update on status of recovery proceedings against MACEL and others

***Ref:*** Letter to the Shareholders' dated 22.08.2025

### *1. SEBI Order*

Pursuant to the order of the Securities and Exchange Board of India ("SEBI"), Coffee Day Enterprises Ltd., in consultation with the National Stock Exchange, appointed our Firm, CrestLaw Partners, Advocates to take effective steps for recovery of dues on behalf of the subsidiary companies of the company (***"Claimants"***) from Mysore Amalgamated Coffee Estates Ltd. and other related entities (***"Respondents"***). In furtherance of the same, steps were taken to initiate arbitration against MACEL and other related entities on behalf of the Claimants for recovery of monies transferred from the Claimants to the Respondents.

### *2. Completion of chief examination and cross-examination of Claimants' witnesses*

In continuation with the previous letter dated 22.08.2025, cross-examination of CW-1 was completed on 11.09.2025. Subsequently, the examination-in-chief and cross-examination of CW-2 (on behalf of Claimant 2,3,5 & 6) commenced on 12.01.2026 and concluded on 27.01.2026. The examination-in-chief and cross-examination of CW-3(on behalf of claimant no 4) commenced on 13.02.2026 and concluded on 27.05.2026. The arbitral proceedings are adjourned to 23.07.2026 for examination-in-chief and cross-examination of CW-4(on behalf of Claimant No.7)

Thanking you,

***Sd-***
CrestLaw Partners, Advocates

# NOTICE

# NOTICE OF THE 18TH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE 18TH ANNUAL GENERAL MEETING ("18TH AGM") OF THE MEMBERS OF COFFEE DAY ENTERPRISES LIMITED("COMPANY") WILL BE HELD ON MONDAY, 21st SEPTEMBER 2026 AT 11 A.M. (IST) THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") WITHOUT THE PHYSICAL PRESENCE OF THE MEMBERS AT A COMMON VENUE (DEEMED TO BE HELD AT THE REGISTERED OFFICE OF THE COMPANY) TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

**Item No.1: Adoption of Audited Financial Statements**

**To consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31st March 2026, together with the reports of the Board of Directors and Auditors thereon,** and in this regard to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31 March 2026, together with the Reports of the Board of Directors and the Auditors thereon, and the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2026, with the Reports of the Board of Directors and the Auditors thereon, as circulated to the Members and laid before the Meeting, be and are hereby received, considered and adopted."

**Item No.2: Re-appointment of Director retiring by rotation**

**To re-appoint a Director Ms. Sowrabhi Ramadas (DIN: 11002032), who retires by rotation and being eligible , offers herself for re-appointment and,** in this regard, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), and the rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, and the Articles of Association of the Company, Ms. Sowrabhi Ramadas (DIN: 11002032), who retires by rotation at this Annual General Meeting and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

## Other Matters:

Noting of the updated report issued by CrestLaw Partners (Independent law firm) on the recovery process undertaken by the company and its subsidiaries for the amount due from Mysore Amalgamated Coffee Estates Limited and its Affiliates.

Date: 27 May 2026
Place: Bangalore

By Order of the Board
for **Coffee Day Enterprises Limited**

*Registered Office:*
*No.165, R.V.Road, (Near Minerva Circle)*
*Bangalore (KA) - 560004*
*CIN: L55101KA2008PLC046866*

***Sd/-***
**Sadananda Poojary**
**Company Secretary & Compliance Officer**
**Mem No.:FCS: 5223**

**Annexure to Item No.2**

[Information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meeting)]

| | |
|---|---|
| Name of the Director | Ms. Sowrabhi Ramadas |
| DIN | 11002032 |
| Date of Birth | 12-08-1976 |
| Date of appointment on the Board | 17-03-2025 |
| Shares held as on March 31, 2026 | Nil |
| Qualifications | MBA |
| Expertise in specific functional areas | She started her corporate career at the Times of India. She was on the marketing team of Education Times for 2 years. She is a certified Career Counsellor catering to Domestic & Overseas education. She has worked for a Chennai based NGO called Vaishnavi Welfare and Charitable Trust which is addressing the concern of Malnourishment in children & women for a year |
| Terms and Conditions of re-appointment | Forms part of Corporate Governance Report |
| Details of Remuneration sought to be Paid | Forms part of Corporate Governance Report |
| Remuneration last drawn | Forms part of Corporate Governance Report |
| Number of Meetings of the Board attended | 8/8 |
| Name of listed entities from which the person has resigned in the past three years | NA |
| Directorships of other boards | NA |
| Membership / Chairmanship of all Committees of other Boards | NIL |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | NA |

**IMPORTANT NOTES**

1. Pursuant to the General Circular No. 03/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/HO/CFD/CFDPoD-2/P/CIR/2024/133 dated October 3, 2024 (“SEBI Circular”) and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM. The registered office of the company shall be the deemed venue of the 18th AGM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM since the meeting is held through video conferencing However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting

votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.coffeeday.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time

8. The company has appointed G Akshay & Associates, Practicing Company Secretaries to act as scrutinizer to scrutinize the voting during AGM and remote e voting process in a fair and transparent manner.

9. In compliance with MCA circulars, soft copies of the Annual Report for FY 2025-26 and the Notice of Annual General Meeting will be mailed to shareholders. However the hardcopy of the full Annual Report will be sent to those shareholders who request for the same. Members whose email ID is not registered, they may contact their respective DP to get the email address updated.

10. The Statutory Registers and relevant documents referred to in the Notice or explanatory statement will be available electronically for inspection by the members during the AGM.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period shall begin on Wednesday,16th, September, 2026 at 09:00 A.M and shall end on Sunday, 20th, September, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 14th September 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 14th September 2026.

**<u>How do I vote electronically using NSDL e-Voting system?</u>**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

| **Type of shareholders** | **Login Method** |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

| Type of shareholders | Login Method |
|---|---|
| | 3. If you are not registered for IDeAS e-Services, option to register is available at [https://eservices.nsdl.com](https://eservices.nsdl.com). Select **"Register Online for IDeAS Portal"** or click at [https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp](https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp)<br>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: [https://www.evoting.nsdl.com/](https://www.evoting.nsdl.com/) either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.<br>**NSDL Mobile App is available on**<br>App Store Google Play |
| Individual Shareholders holding securities in demat mode with CDSL | 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. |

| Type of shareholders | Login Method |
|---|---|
| | 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.<br>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.<br>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911 |

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID<br><br>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<br><br>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<br><br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

**General Guidelines for shareholders**

**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 akshay@gakshayassociates.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

**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.: 022 - 4886 7000 or send a request to **Falguni Chakraborty** at evoting@nsdl.com

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to investors@coffeedaygroup.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to investors@coffeedaygroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under **“Join meeting”** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@coffeedaygroup.com. The same will be replied by the company suitably.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting and are required to pre-register themselves by sending a request from their registered email address mentioning their names,demat account number/folio number, email id, mobile number at investors@coffeedaygroup.com between Tuesday 15 September 2026 9:00 A.M. to Friday 18 September 5:00 P.M. The Company reserves

the right to restrict the number of speakers at the AGM based on the availability of time and to permit only those Members who have registered themselves as speakers.

7. The results of the electronic voting shall be declared after the conclusion of the AGM and submitted to the Stock Exchanges. The voting results, together with the Scrutinizer's Report, shall also be placed on the website of the Company.

# Notes

# Notes

CAFÉ COFFEE DAY

www.coffeeday.com

No.165, R.V Road, Near Minerva Circle, Bangalore 560004 Karnataka, India.