

B S R & Associates LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Hardcastle Restaurants Private Limited

Report on the Audit of the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Hardcastle Restaurants Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, 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) prescribed under Section 133 of the Act.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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

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

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

Independent Auditor's Report (Continued)

Hardcastle Restaurants Private Limited

Auditor's Responsibility (Continued)

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

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

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

Opinion

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

Other Matter

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose reports for the year ended 31 March 2017 and 31 March 2016 dated 11 May 2017 and 6 May 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

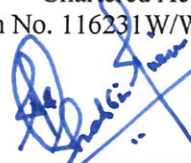
Independent Auditor's Report (Continued)

Hardcastle Restaurants Private Limited

Report on Other Legal and Regulatory Requirements (Continued)

2. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements; - Refer Note 34 to the standalone Ind AS 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. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. Corresponding amounts as appearing in the audited standalone financial statements for the year ended 31 March 2017 have been disclosed.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No. 116231W/W-100024



सनाधुर केअयमादेवाडा
Partner
Membership No. 100060

Mumbai
15 September 2018

Hardcastle Restaurants Private Limited

'Annexure A' to the Independent Auditor's Report - 31 March 2018 on the Standalone Financial Statements

(Referred to in our report of even date)

With reference to Annexure A referred to in the Independent Auditors' Report to the Members of Hardcastle Restaurants Private Limited ('the Company') on the standalone financial statements for the year ended 31 March 2018, we report the following:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, the Company has carried out the physical verification of certain assets during the year. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The Company has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph (iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loan or provided any guarantee or security in respect of which provisions of Section 185 of the Act are applicable and hence not commented upon. The Company has complied with the applicable provisions of Section 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the goods sold and services rendered by the Company.
- (vii)
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, goods and services tax, duty of custom, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues in respect of duty of excise.

Hardcastle Restaurants Private Limited

'Annexure A' to the Independent Auditor's Report - 31 March 2018 on the Standalone Financial Statements (*Continued*)

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales-tax, service tax, goods and services tax, duty of custom, value added tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable, except Rs 0.46 million unpaid on account of pending profession tax registration for the state of Gujarat.

- (b) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, goods and services tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute except as shown below:

Name of the statute	Nature of the disputed dues	Amount Rs (millions)*	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Duty of excise	44.06	2000-01 to 2005-06	Appellate Tribunal, Mumbai
Bombay Sales Tax Act, 1959	Sales-tax	2.54	2003-04 to 2004-05	Commissioner of Sales Tax (Appeal), Mumbai
Karnataka Value Added Tax, 2003	Sales-tax	496.79	2008-09 to 2013-14	High court of Karnataka

*Net of amounts deposited under protest

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a bank. The Company did not have any outstanding dues to debenture holders, Government or to any financial institutions during the year. Accordingly, paragraph (viii) of the Order is not applicable to the Company.
- (ix) During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan. Accordingly, paragraph (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

Hardcastle Restaurants Private Limited

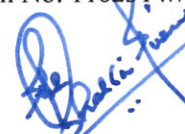
'Annexure A' to the Independent Auditor's Report - 31 March 2018 on the Standalone Financial Statements (*Continued*)

- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided remuneration to managerial person in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. In earlier years, the Company had applied for the approval of the Central Government for payment of remuneration in excess of the limit specified under the applicable Companies Act to its two whole time directors for the period April 2013 to March 2014 and for the period April 2014 to March 2015. During the year, these applications were disposed off by the Central Government by partly approving payment of excess remuneration. Consequently, the unapproved amount of excess remuneration of Rs. 19.45 million for the aforesaid periods has been recovered from the directors and credited to employee benefits expense (refer Note 33 to the standalone Ind AS financial statements).
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and Section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph (xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause (xvi) of the Order are not applicable to the Company.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/W-100024



Shabbir Readymadewala

Partner

Membership No: 100060

Mumbai
15 September 2018

Hardcastle Restaurants Private Limited

‘Annexure B’ to the Independent Auditor’s Report - 31 March 2018 on the Standalone Financial Statements

(Referred to in our report of even date)

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

We have audited the internal financial controls with reference to financial statements of Hardcastle Restaurants Private Limited (“the Company”) as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Hardcastle Restaurants Private Limited

‘Annexure B’ to the Independent Auditor’s Report - 31 March 2018 on the Standalone Financial Statements (Continued)

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

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

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231 W/W-100024



Shabbir Readymadewala

Partner

Membership No: 100060

Mumbai
15 September 2018

Hardcastle Restaurants Private Limited

Balance Sheet

as at March 31, 2018

(Rs. in millions)

	Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	5	4,631.94	4,393.41	4,142.52
(b) Capital work-in-progress	5	197.37	171.55	184.34
(c) Investment property	5	6.58	6.85	7.51
(d) Other intangible assets	5	434.60	441.18	408.59
(e) Financial Assets				
(i) Investments	6	1,294.34	598.55	263.73
(ii) Loans	7	390.27	339.10	295.12
(iii) Others	8	2.03	0.77	0.09
(f) Income tax assets (net)	13	43.98	19.96	17.62
(g) Deferred tax assets	18	222.50	-	-
(h) Other assets	9	514.99	495.07	471.90
Total non-current assets		7,738.60	6,466.44	5,791.42
2 Current assets				
(a) Inventories	10	336.82	302.39	278.23
(b) Financial assets				
(i) Investments	6	535.55	1,092.06	1,322.22
(ii) Trade receivables	11	64.31	49.22	42.04
(iii) Cash and cash equivalents	12	109.06	68.39	67.22
(iv) Loans	7	23.36	34.84	16.09
(v) Others	8	65.71	83.92	49.56
(c) Other assets	9	85.21	156.64	298.59
Total current assets		1,220.02	1,787.46	2,073.95
TOTAL ASSETS		8,958.62	8,253.90	7,865.37
II EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity share capital	14	1,747.63	402.63	310.00
(b) Other equity		3,286.63	3,820.29	444.18
Total equity		5,034.26	4,222.92	754.18
2 LIABILITIES				
1 Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	-	440.46	3,812.12
(ii) Others (other than those specified above)	16	3.42	2.73	2.73
(b) Provisions	17	15.00	-	-
(c) Deferred tax liabilities (net)	18	-	22.58	347.66
Total non-current liabilities		18.42	465.77	4,162.51
2 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	19	1,835.19	1,829.02	1,232.54
(ii) Trade Payables	20			
Total outstanding due to micro enterprises and small enterprises		-	-	-
Total outstanding dues other than to micro enterprises and small enterprises		1,139.43	782.49	676.83
(iii) Others (other than those specified above)	16	670.99	684.13	810.21
(b) Provisions	17	54.27	65.53	70.33
(c) Current tax liabilities (net)		2.93	2.93	2.93
(d) Other liabilities	21	203.13	201.11	155.84
Total Current Liabilities		3,905.94	3,565.21	2,948.68
TOTAL EQUITY AND LIABILITIES		8,958.62	8,253.90	7,865.37

Significant accounting policies

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

As per our report of even date attached

For BSR & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024

Shabbir Readymadewala

Membership No: 100060

Mumbai

September 15, 2018



For and on behalf of the Board of Directors of
Hardcastle Restaurants Private Limited

Banwari Lal Jatia

Director

Seema Apora Nambiar

Director

Suresh Lakshminarayanan
Chief Financial Officer

Radha Jain
Company Secretary

Mumbai

September 15, 2018

Hardcastle Restaurants Private Limited

Statement of Profit and Loss

for the year ended March 31, 2018

(Rs. in millions)

	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations	22	11,348.74	9,305.90
Other income	23	195.15	187.09
Total income		11,543.89	9,492.99
Expenses			
Cost of materials consumed	24	4,301.70	3,713.00
Employee benefits expense	25	1,725.64	1,417.91
Finance costs	26	1,055.23	983.07
Depreciation and amortisation expense	27	672.57	637.24
Other expenses	28	4,577.58	3,733.67
Total expenses		12,332.72	10,484.89
Loss before tax		(788.83)	(991.90)
Less : Tax expense			
- Current tax	29	-	-
- Deferred tax credit	29	(244.65)	(326.35)
Total tax expense		(244.65)	(326.35)
Profit / (Loss) for the year		(544.18)	(665.55)
Other comprehensive income:			
Items that will not be reclassified to profit and loss :			
Re-measurements of defined benefit plan		(1.28)	4.14
Income tax on items that will not be reclassified to profit and loss		0.43	(1.28)
Other comprehensive income for the year		(0.85)	2.86
Total comprehensive income for the year		(545.03)	(662.69)
Earnings per equity share :			
- Basic and Diluted	43	(989.37)	(2,141.66)

Significant accounting policies 3


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

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024



Shabbir Readymadewala
Partner


membership No: 100060


Mumbai
September 15, 2018



For and on behalf of the Board of Directors of
Hardcastle Restaurants Private Limited


Banwari Lal Jatia
Director


Seema Arora Nambiar
Director


Suresh Lakshminarayanan
Chief Financial Officer


Radha Jain
Company Secretary

Mumbai
September 15, 2018

Hardcastle Restaurants Private Limited

Cash flow Statement

for the year ended March 31, 2018

(Rs. in millions)

	For the year ended March 31, 2018	For the year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(788.83)	(991.90)
Adjustments for :		
Depreciation	672.57	637.24
Loss on sale / write off of property, plant and equipment	71.37	29.65
Finance cost	1,055.23	983.07
Interest income	(25.92)	(24.06)
Gain on sale of current investment	(144.59)	(142.28)
Operating profit before working capital changes	839.83	491.72
B. Movements in Working Capital		
Decrease/(Increase) in inventories	(34.43)	(24.17)
Decrease/ (Increase) in trade receivables	(15.09)	(7.18)
Decrease/ (Increase) in non-current loans	(51.17)	(43.98)
Decrease/ (Increase) in current loans	11.48	(18.75)
Decrease/ (Increase) in other non-current financial assets	(1.26)	(0.68)
Decrease/ (Increase) in other current financial assets	28.14	(34.13)
Decrease/ (Increase) in other non current assets	11.35	(25.72)
Decrease/ (Increase) in other current assets	71.43	141.95
(Decrease)/Increase in trade payables	356.94	105.65
(Decrease)/Increase in other non-current financial liabilities	0.69	54.09
(Decrease)/Increase in current other financial liabilities	113.65	58.86
(Decrease)/Increase in non-current provisions	15.00	-
(Decrease)/Increase in current provisions	(11.26)	(4.80)
(Decrease)/Increase in other current liabilities	13.38	56.53
Cash generated from operations	1,348.68	749.39
Tax refund received / (taxes paid)	(24.02)	(0.50)
C. NET CASH FROM OPERATING ACTIVITIES	1,324.66	748.89
D. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to fixed assets and capital work-in-progress	(1,063.43)	(917.37)
Proceeds from sale of fixed assets	4.17	9.93
Interest income	15.99	21.99
(Investment in) / maturity of fixed deposits (With original maturity of three months or more)	(0.12)	0.20
Purchase of investments	(2,893.38)	(6,149.22)
Proceeds from sale of investments	2,898.70	6,186.86
NET CASH USED IN INVESTING ACTIVITIES	(1,038.07)	(847.61)
E. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of equity share capital	-	4,125.00
Repayment of inter corporate deposits to holding company	-	(4,125.00)
Proceeds of short-term borrowings	9,280.00	16,792.54
Repayment of short-term borrowings	(9,100.00)	(16,217.54)
Repayment of long term borrowings	(75.00)	(187.50)
Interest paid	(153.15)	(205.46)
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES	(48.15)	182.04
NET INCREASE IN CASH AND CASH EQUIVALENTS	238.44	83.32



Hardcastle Restaurants Private Limited

Cash flow Statement (Continued)

for the year ended March 31, 2018

(Rs. in millions)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash and cash equivalents at the beginning of the year	(148.24)	(231.56)
Cash and cash equivalents at the end of the year	90.20	(148.24)
NET INCREASE IN CASH AND CASH EQUIVALENTS	238.44	83.32
Components of cash and cash equivalents		
Cash and bank balances (refer note 12)	109.06	68.39
Less : not considered as cash and cash equivalents		
Fixed deposit with remaining maturity of more than three months	0.03	1.17
Less: Bank Overdrafts (refer note 19)	0.19	174.02
Less : Book Overdrafts (refer note 16)	18.64	41.44
Total cash and cash equivalents	90.20	(148.24)

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

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/W-100024



Shabir Readymadewala

Partner

Membership No: 100060

Mumbai

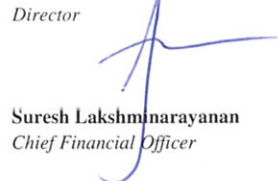
September 15, 2018



For and on behalf of the Board of Directors of
Hardcastle Restaurants Private Limited



Banwari Lal Jatia
Director



Suresh Lakshminarayanan
Chief Financial Officer

Mumbai
September 15, 2018



Seema Arora Nambiar
Director



Radha Jain
Company Secretary

Hardcastle Restaurants Private Limited

Statement of change in equity

for the year ended 31 March 2018

(Rs. in millions)

(a) Equity share capital

Particulars	Note	Amount
Balance as at April 1, 2016		310.00
Changes in equity share capital during 2016-17	14	92.63
Balance as at March 31, 2017		402.63
Changes in equity share capital during 2017-18	14	1,345.00
Balance as at March 31, 2018		1,747.63

(b) Other Equity

for the year ended March 31, 2017

Particulars	Equity Contribution	Reserves and Surplus		Other Comprehensive Income Remeasurements of Actuarial gain and losses	Total
		Securities Premium	Retained earnings		
Balance as at April 01, 2016	2,760.00	-	(2,315.82)	-	444.18
Premium received on issue of equity shares	-	4,032.37	-	-	4,032.37
Other comprehensive income (Refer note 4 (C) (3))	-	-	-	2.86	2.86
Re-measurements of employee stock option cost at fair value	6.43	-	-	-	6.43
Loss for the year ended March 31, 2017	-	-	(665.55)	-	(665.55)
Balance as at March 31, 2017	2,766.43	4,032.37	(2,981.37)	2.86	3,820.29

for the year ended March 31, 2018

Particulars	Equity Contribution	Reserves and Surplus		Other Comprehensive Income Remeasurements of Actuarial gain and losses	Total
		Securities Premium	Retained earnings		
Balance at the April 1, 2017	2,766.43	4,032.37	(2,981.37)	2.86	3,820.29
Other comprehensive income	-	-	-	(0.85)	(0.85)
Re-measurements of employee stock option cost at fair value	11.37	-	-	-	11.37
Profit for the year ended March 31, 2018	-	-	(544.18)	-	(544.18)
Balance as at March 31, 2018	2,777.80	4,032.37	(3,525.55)	2.01	3,286.63



Hardcastle Restaurants Private Limited

Statement of change in equity (Continued)

for the year ended 31 March 2018

(Rs. in millions)

(b) Other Equity (Continued)

Nature and purpose of reserves:

Equity contribution :

Equity contribution consists of fair valuation of long term borrowings and cumulative redeemable preference shares received from parent company.

Securities premium:

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

Retained earnings:

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

Remeasurement of defined benefit (liability)/ asset:

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

Significant accounting policies

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

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No. 116231W/W-100024

Shabbir Readymadewala

Partner

Membership No: 100060

Mumbai

September 15, 2018



For and on behalf of the Board of Directors of
Hardcastle Restaurants Private Limited

Banwari Lal Jatia

Director

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Chief Financial Officer

Mumbai

September 15, 2018

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Director

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Company Secretary