

Hardcastle Restaurants Private Limited
CIN: U55101MH1995PTC091422

Financial statements
for the year ended March 31, 2025

Hardcastle Restaurants Private Limited

Balance Sheet

as at March 31, 2025

(Rs. in millions)

	Note No.	As at March 31, 2025	As at March 31, 2024
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4 (A)	8,585.47	7,701.79
(b) Capital work-in-progress	4(c)	255.16	446.96
(c) Right to use assets	41(i)	11,077.77	9,605.84
(d) Other Intangible assets	4 (A)	381.62	396.18
(e) Financial assets			
(i) Investments	5	911.84	645.39
(ii) Loans	6	1.22	2.96
(iii) Other financial assets	7	530.13	487.41
(f) Income tax assets (net)	12	15.96	155.79
(g) Deferred tax assets (net)	16	928.38	707.59
(h) Other assets	8	314.04	276.10
Total non-current assets		23,001.59	20,426.01
2 Current assets			
(a) Inventories	9	807.63	632.39
(b) Financial assets			
(i) Investments	5	540.85	605.91
(ii) Trade receivables	10	189.80	173.29
(iii) Cash and cash equivalents	11	585.51	138.38
(iv) Bank balances other than (iii) above	11	2.75	0.05
(v) Loans	6	216.58	198.73
(vi) Other financial assets	7	175.45	132.76
(c) Other assets	8	149.88	147.43
Total current assets		2,668.45	2,028.94
TOTAL ASSETS		25,670.04	22,454.95
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	13	873.81	873.81
(b) Other equity		4,750.97	4,590.48
Total equity		5,624.78	5,464.29
2 LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	320.00	-
(ii) Lease liabilities	41(ii)	11,676.46	9,975.15
(iii) Other financial liabilities	14	2.07	1.74
Total non-current liabilities		11,998.53	9,976.89
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2,771.02	2,418.43
(ii) Lease liabilities	41(ii)	1,474.36	1,259.82
(iii) Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		94.41	31.80
Total outstanding dues of creditors other than to micro enterprises and small enterprises		2,221.62	1,985.47
(iv) Other financial liabilities	14	955.33	900.86
(b) Other liabilities	19	382.86	318.31
(c) Provisions	15	147.13	99.08
Total current liabilities		8,046.73	7,013.77
TOTAL EQUITY AND LIABILITIES		25,670.04	22,454.95

Summary of material accounting policies

3

The accompanying notes 1 - 47 are an integral part of the financial statements

As per our report of even date attached

For SRBC & Co LLP

Chartered Accountants

ICAI Firm's Registration No: 324982E/E300003

per Ravi Bansal
Partner
Membership No: 049365

Place: Mumbai
Date: May 14, 2025



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

Saurabh Kalra
Managing Director
DIN: 10057845

Hrushit Shah
Chief Financial Officer

Place: Mumbai
Date: May 14, 2025

Sanjay Kumar Soni
Whole Time Director
DIN: 01048644
Radha Jain
Company Secretary
Membership No: A28006

Hardcastle Restaurants Private Limited

Statement of profit and loss

for the year ended March 31, 2025

(Rs. in millions)

	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations	20	24,901.58	23,908.84
Other income	21	243.96	182.83
Total income		25,145.54	24,091.67
Expenses			
Cost of materials consumed	22	7,452.76	7,106.95
Employee benefits expense	23	3,598.39	3,285.36
Finance costs	24	1,272.64	1,098.68
Depreciation and amortisation expenses	25	2,041.04	1,822.24
Other expenses	26	10,646.49	9,810.70
Total expenses		25,011.32	23,123.91
Profit before tax		134.22	967.76
Tax expense			
- Current tax	27	205.96	373.26
- Adjustment of tax relating to earlier periods	27	(2.61)	6.44
- Deferred tax credit (net)	27	(181.71)	(129.01)
Total tax expense		21.64	250.69
Profit for the year		112.58	717.07
Other comprehensive income:			
Items that will not be reclassified to profit and loss :			
Re-measurements of defined benefit plan		(8.00)	(9.58)
Income tax on items that will not be reclassified to profit and loss	27	2.02	2.41
Total other comprehensive (losses) for the year		(5.98)	(7.17)
Total comprehensive income for the year		106.60	709.90
Earnings per equity share :			
- Basic and Diluted (in Rs.)	39	128.84	820.62
Summary of material accounting policies	3		


The accompanying notes 1 - 47 are an integral part of the financial statements

As per our report of even date attached

For S R B C & Co LLP

Chartered Accountants

ICAI Firm's Registration No: 324982E/E300003


per Ravi Bansal
Partner
Membership No: 049365

Place: Mumbai
Date: May 14, 2025





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


Sanjay Kalra
Managing Director
DIN: 10057845


Hrushit Shah
Chief Financial Officer

Place: Mumbai
Date: May 14, 2025


Sanjay Kumar Soni
Whole Time Director
DIN: 01048644


Radha Jain
Company Secretary
Membership No: A28006

Hardcastle Restaurants Private Limited

Statement of changes in equity

for the year ended March 31, 2025

(Rs. in millions)

(a) Equity share capital

Particulars	Note	Amount
Balance as at April 01, 2023	13	873.81
Changes in equity share capital during 2023-24		-
Balance as at March 31, 2024		873.81
Changes in equity share capital during 2024-25		-
Balance as at March 31, 2025		873.81

(b) Other equity

for the year ended March 31, 2024

Particulars	Equity contribution	Reserves and Surplus				Total
		Securities premium	Capital Contribution for Share Based Payments	Other comprehensive loss	Retained earnings	
Balance at the April 1, 2023	2,791.33	168.16	-	(15.46)	1,479.09	4,423.13
Profit for the year ended March 31, 2024	-	-	-	-	717.07	717.07
Recognition of Share Based Payment (Refer Note 38)	-	-	73.50	-	-	73.50
Other comprehensive loss	-	-	-	(7.17)	-	(7.17)
Final Dividend (2022-23: Rs 705 per share)	-	-	-	-	(616.04)	(616.04)
Balance as at March 31, 2024	2,791.33	168.16	73.50	(22.63)	1,580.12	4,590.48

for the year ended March 31, 2025

Particulars	Equity contribution	Reserves and Surplus				Total
		Securities premium	Capital Contribution for Share Based Payments	Other comprehensive loss	Retained earnings	
Balance at the April 1, 2024	2,791.33	168.16	73.50	(22.63)	1,580.12	4,590.48
Profit for the year ended March 31, 2025	-	-	-	-	112.58	112.58
Recognition of Share Based Payment (Refer Note 38)	-	-	53.89	-	-	53.89
Other comprehensive loss	-	-	-	(5.98)	-	(5.98)
Balance as at March 31, 2025	2,791.33	168.16	127.39	(28.61)	1,692.70	4,750.97



Hardcastle Restaurants Private Limited

Statement of changes in equity (Continued)

for the year ended March 31, 2025

(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 reserve:

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

Capital Contribution for Share Based Payments:

This reserve represents fair value of options issued to employees under Employee Stock Option Scheme by the Holding Company.

Retained earnings:

The cumulative gain or loss arising from operations which is retained by the Company less utilisation on account of dividend paid, 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. Retained earnings includes re-measurement (loss)/gain on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss.

Summary of material accounting policies

3

The accompanying notes 1 - 47 are an integral part of the financial statements

As per our report of even date attached

For S R B C & Co LLP

Chartered Accountants

ICAI Firm's Registration No: 324982E/E300003



per Ravi Bansal
Partner

Membership No: 049365

Place: Mumbai

Date: May 14, 2025



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



Saurabh Kalra
Managing Director
DIN: 10057845



Hrushit Shah
Chief Financial Officer

Place: Mumbai

Date: May 14, 2025



Sanjay Kumar Soni
Whole Time Director
DIN: 01048644



Radha Jain
Company Secretary
Membership No: A28006

Hardcastle Restaurants Private Limited

Statement of cash flows

for the year ended March 31, 2025

(Rs. in millions)

	For the year ended March 31, 2025	For the year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	134.22	967.76
Adjustments for :		
Depreciation and amortisation expense	2,041.04	1,822.24
Sundry balances written off	1.47	-
Provision for doubtful receivables	-	0.88
Loss on sale / write off of property, plant and equipment	91.87	63.55
Finance cost	1,272.64	1,098.68
Employee share based payment expenses	53.89	72.18
Interest income	(103.49)	(65.46)
(Gain) on fair value changes (net)	(63.12)	(86.67)
Loss / (gain) on sale of current investment (net)	(15.89)	14.38
Miscellaneous provision written back	(121.89)	(142.30)
Operating profit before working capital changes	3,290.74	3,745.24
B Movements in working capital		
(Increase) / Decrease in inventories	(175.24)	81.88
(Increase) in trade receivables	(16.51)	(66.35)
(Increase) in other financial assets	(181.69)	(165.66)
(Increase) / Decrease in other assets	(23.06)	7.61
Increase in trade payables	367.76	291.19
Increase / (Decrease) in other financial liabilities	205.90	(84.98)
Increase / (Decrease) in provisions	11.88	(20.55)
Increase / (Decrease) in other liabilities	64.56	(10.22)
Cash generated from operations	3,544.34	3,778.16
Income tax (paid) (net)	(72.78)	(386.75)
C NET CASH GENERATED FROM OPERATING ACTIVITIES	3,471.56	3,391.41
D CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment, intangible assets and capital work-in-progress (including capital advances)	(2,177.12)	(2,166.25)
Proceeds from sale of property, plant and equipment	2.67	12.11
Proceeds from deposits placed with banks	-	199.99
Interest income	103.49	67.58
Proceeds from Loans to related parties (net)	-	25.59
(Repayment to) / Proceeds from Loans to other parties (net)	(16.11)	75.00
Purchase of investments	(1,342.81)	(338.77)
Proceeds from sale of investments	1,220.43	338.59
NET CASH USED IN INVESTING ACTIVITIES	(2,209.45)	(1,786.16)
E CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds /(Repayment) of borrowings (net)	672.59	348.43
Repayment of lease liabilities (including interest on lease liability)	(1,261.19)	(1,078.52)
Interest paid	(226.38)	(197.13)
Final dividend Paid	-	(616.04)
NET CASH USED IN FINANCING ACTIVITIES	(814.98)	(1,543.26)
NET INCREASE IN CASH AND CASH EQUIVALENTS	447.13	61.99
Cash and cash equivalents at the beginning of the year	138.38	76.39
Cash and cash equivalents at the end of the year	585.51	138.38
NET INCREASE IN CASH AND CASH EQUIVALENTS	447.13	61.99



Hardcastle Restaurants Private Limited

Statement of cash flows (Continued)

for the year ended March 31, 2025

(Rs. in millions)

For the year ended
March 31, 2025

For the year ended
March 31, 2024

Notes to Statement of cash flows

1. Components of cash and cash equivalents

Cash and bank balances (refer note 11)

Less: Bank deposits due to mature before twelve months

from the reporting date and having original maturity of more than 3 months (refer note 11)

Total cash and cash equivalents

588.26

138.43

2.75

0.05

585.51

138.38

2 Reconciliation of movement in borrowings to cash flows from financing activities:

Opening balance

Borrowings (other than debt securities)

2,418.43

2,070.00

Cash flow movements

Proceeds from borrowings (net)

672.59

348.43

Closing balance

3,091.02

2,418.43

3 There are no non-cash charges on account of effect of changes in foreign-exchange rates and fair values.

4 The above Statement of Cash Flows has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 – Statement of Cash Flows.

5 The accompanying notes 1 - 47 are an integral part of the financial statements

As per our report of even date attached

For S R B C & Co LLP

Chartered Accountants

ICAI Firm's Registration No: 324982E/E300003



per Ravi Bansal

Partner

Membership No: 049365

Place: Mumbai

Date: May 14, 2025



For and on behalf of the Board of Directors of
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Saurabh Kalra

Managing Director

DIN: 10057845



Hrushit Shah

Chief Financial Officer

Place: Mumbai

Date: May 14, 2025



Sanjay Kumar Soni

Whole Time Director

DIN: 01048644



Radha Jain

Company Secretary

Membership No: A28006

Hardcastle Restaurants Private Limited

Notes to the financial statements

for the year ended March 31, 2025

1 Company background

Hardcastle Restaurants Private Limited ('the Company') is a company incorporated on August 7, 1995 under Companies Act, 1956. The Company is a private Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 1001, Tower-3, 10th Floor, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai - 400 013, Maharashtra, India.

The Company is principally engaged in putting up and operating Quick Service Restaurants (QSR) in India i.e. McDonalds' chain of restaurants in the West and South regions of India.

The financial statements were approved for issue in accordance with a resolution of the directors on 14th May 2025.

2 Basis of preparation

A 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') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other provisions of the Act, (the 'Act') to the extent notified and applicable as well as applicable guidance notes and pronouncements of the Institute of Chartered Accountants of India (ICAI).

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.

B Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is the Company's functional currency. All financial information presented in Indian rupee has been rounded to the nearest million unless otherwise indicated.

C Basis of measurement

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

Items	Measurement
Certain financial assets and liabilities	Fair value
Liabilities for share-based arrangements	Fair value
Net defined benefit (asset)/ liability less defined value of present obligation	Fair value of plan assets less present value of defined benefit obligations
Mutual Funds and Bonds	Fair value

D 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,
- Held primarily for the purpose of trading,
- 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.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

2 Basis of preparation (Continued)

E 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 and disclosure of contingent liabilities on the date of balance sheet and reported amounts of revenue and expenses for the period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from the 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

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in future periods.

Provision for income tax and deferred tax assets

The Company uses estimates and judgement based on the relevant rulings in the areas of allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised 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 utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

Provisions and contingent liabilities

The reliable measure of the estimates and judgments pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Impairment of non-financial assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired.

Defined benefit

The Company's gratuity plan is a defined benefit plan. The present value of the defined benefit obligation is based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Share based payment

The Company measures share-based payments and transactions at fair value and recognises over the vesting period using Black Scholes valuation model. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 38.

F Measurement of fair values

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

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

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

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

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.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

2 Basis of preparation (Continued)

F Measurement of fair values (Continued)

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.

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 (including those carried at amortised cost) (refer note 28)
- Disclosures for valuation methods, significant estimates and assumptions (refer note 28)
- Quantitative disclosures of fair value measurement hierarchy (refer note 28)

3 Material accounting policies

a Revenue recognition

Revenues from contracts with customers are recognised when the performance obligations towards customer ie when control has been transferred at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

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

No element of financing is deemed present as majority of sales are on cash basis and credit sales are made with normal credit period consistent with market practice.

Goods and Services Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

The Company recognises revenue from the sale of food and other goods through company's own stores and are recognised when the items are delivered to or carried out by customers. Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are net of customer returns, trade allowance, rebate, goods and services tax. Gift vouchers sale are recognised when the vouchers are redeemed and the goods are sold to the customers.

Sale of products – 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 Company 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.

The deferred income related to loyalty credits granted has been estimated with reference to the fair value of products for which they could be redeemed. This is because the fair value of loyalty credits is not directly observable. The fair value of the customers' right to buy products at a discount for which the loyalty credits can be redeemed takes into account the amount of discount available to customers who have earned the loyalty credits remaining unutilised and the expected forfeiture rate.

Sale of scrap

Sale of scrap is recognised upon transfer of control of products to the customers which coincides with their delivery to customer.

Other operating income

Franchisee income, space rental and alliance income and conducting fees are recognised on an accrual basis in accordance with terms of relevant agreement.

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 Company 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 Company, and the amount of the dividend can be measured reliably.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

3 Material accounting policies (Continued)

a Revenue recognition (Continued)

Contract balances

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (D) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

b Property, plant and equipment

- 1 Items of property, plant and equipment are measured at cost, which includes capitalised 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. Further contribution received from landlords in respect of leasehold improvements carried out to leasehold premises is deducted from leasehold improvement cost. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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 derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

2 Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

3 Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.

Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Management estimate of useful lives	Useful life as per Schedule II
Building	28 years	30 years
Leasehold improvements (others)	15 years or lease period (whichever is lower)	-
Leasehold improvements (office)	9 - 10 years	-
Restaurant Equipments	5 - 10 years	15 years
Office equipment	5 years	5 years
Furniture and fixtures	5 - 10 years	10 years
Computers	3 years	3 years
Vehicles	4 years	8 years

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).



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

3 Material accounting policies (Continued)

b Property, plant and equipment (Continued)

4 Intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite.

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. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation 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 amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation 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 amortised, 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.

Initial location & license fees for stores opened up to May 15, 2010, are amortised on a straight line basis over a period of twenty years. For stores opened after May 15, 2010, Initial location & license fees are amortised on a straight line basis over the remaining period of the Master Franchise Agreement.

The Company also has software as an intangible asset having a useful life of 5 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.

5 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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 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.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

c Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of materials has been determined on first-in-first out basis (FIFO). Cost of inventories comprises of all cost of purchase and other cost incurred in bringing the inventories to its present location and condition. 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.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

3 Material accounting policies (Continued)

d Employee benefits

Defined contribution plan

State governed Provident Fund, ESIC and Labour Welfare Fund is considered as defined contribution plan and contributions thereto are charged to the Statement of Profit and Loss for the year as they are incurred. There are no other obligations, other than the contribution payable to the respective funds.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions and will have no legal or constructive obligation to pay further amounts. The Company 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 Company'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 Company, 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 Other Comprehensive Income (OCI). The Company 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 the statement of 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 statement of profit or loss. The Company 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 Company 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.

e Foreign currency transactions

Transactions at balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions or an average rate if the average rate approximates the actual rate on 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 on the date of the transaction. Exchange differences are recognised in the statement of profit or loss.

f Income taxes

Income tax comprises current and deferred tax. It is recognised in the 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.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

3 Material accounting policies (Continued)

f Income taxes (Continued)

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.

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 deferred tax assets 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 the deferred tax assets 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 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.

g Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

h Cash and cash equivalents

Cash and cash equivalents in the 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.

i 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. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdraft and bank overdraft as they are considered an integral part of the Company's cash management.

j Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owner's of the Company 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 Company 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.

k Employee stock option cost

Certain employees of the Company are covered under the stock option plans of the Holding Company. These Schemes are in the nature of equity settled and are assessed, managed / administered by the Holding Company. In case of equity settled awards, the fair value of awards at the grant date is amortised on a straight-line basis over the vesting period. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The Holding Company has created an Employee Benefit Trust for providing share-based payment to its employees.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

3 Material accounting policies (Continued)

I Financial instruments

i Recognition and initial measurement

Trade receivables 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.

ii Classification and subsequent measurement

Financial assets

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 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.

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 Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
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 Company does not have financial assets measured at FVOCI.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

3 Material accounting policies (Continued)

i Financial instruments (Continued)

ii Classification and subsequent measurement (Continued)

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 statement of 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 statement of profit or loss.

iii Derecognition

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 statement of profit or loss.

iv Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company 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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

v Impairment

Financial assets (other than at fair value): The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 Financial Instrument requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

iii 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.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

3 Material accounting policies (Continued)

n Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

i Right of Use assets

The Company's leased asset class consists of leases for office spaces and restaurants and includes leasehold land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or 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:

a) the contract involves the use of an identified asset

b) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and the Company has the right to direct the use of the asset.

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to impairment.

The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

ii Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees. Variable lease payments are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date in cases where the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of certain office equipment that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is an intermediate lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The Company has not transferred substantially all the risks and rewards relating to the right of use asset of the head lease to the sub-lessee where it is an intermediate lessor and hence all leases are operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

3 Material accounting policies (Continued)

g New and amended standards

The Ministry of Corporate Affairs has notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Group applied following amendments for the first-time during the current year which are effective from April 1, 2024.

i Ind AS 117 Insurance Contracts

The Ministry of corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The amendments had no impact on the Company's financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

ii Amendment to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments had no impact on the Company's financial statements.

p Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.



Notes to the financial statements (Continued)
as at March 31, 2025

4 Property, plant, equipments and other intangible assets

Particulars											
Property, plant and equipments											
Freehold land	Building	Leasehold improvements	Restaurant equipments	Furniture & fixtures	Office equipments	Computers	Motor vehicles	Total	Other intangible assets		
									Initial location & license fee	Computer software	Total
Cost											
Balance as at April 1, 2023	147.22	72.64	4,785.42	4,533.96	757.81	54.45	33.89	46.46	659.97	170.62	830.59
Additions	-	-	1,075.17	954.54	209.38	2.15	6.33	34.74	60.27	-	60.27
Deletions	-	-	(209.92)	(142.74)	(58.91)	(0.11)	(5.87)	(15.40)	(7.05)	-	(7.05)
Balance as at March 31, 2024	147.22	72.64	5,650.67	5,345.76	908.28	56.49	34.35	65.80	713.19	170.62	883.81
Balance as at April 1, 2024	147.22	72.64	5,650.67	5,345.76	908.28	56.49	34.35	65.80	713.19	170.62	883.81
Additions	85.73	-	992.95	882.30	199.24	16.02	3.99	10.05	67.60	5.31	72.91
Deletions	-	-	(236.73)	(204.86)	(57.51)	(8.94)	(4.25)	-	(15.80)	-	(15.80)
Balance as at March 31, 2025	232.95	72.64	6,406.89	6,023.20	1,050.01	63.57	34.09	75.85	764.99	175.93	940.92
Accumulated Depreciation											
Balance as at April 1, 2023	-	30.15	1,297.81	2,179.70	288.46	18.79	18.99	6.59	289.08	127.05	416.13
Depreciation for the year (refer note 25)	-	5.98	434.04	523.57	87.48	8.59	9.94	17.24	57.92	17.94	75.86
Deletions	-	-	(143.19)	(132.89)	(55.90)	(0.11)	(5.87)	(9.95)	(4.36)	-	(4.36)
Balance as at March 31, 2024	-	36.13	1,588.66	2,570.38	320.04	27.27	23.06	13.88	342.64	144.99	487.63
Balance as at April 1, 2024	-	36.13	1,588.66	2,570.38	320.04	27.27	23.06	13.88	342.64	144.99	487.63
Depreciation for the year (refer note 25)	-	5.98	486.38	578.73	101.11	9.48	8.27	17.85	67.93	14.03	81.96
Deletions	-	-	(163.83)	(183.33)	(53.25)	(8.89)	(4.19)	-	(10.29)	-	(10.29)
Balance as at March 31, 2025	-	42.11	1,911.21	2,965.78	367.90	27.86	27.14	31.73	400.28	159.02	559.30
Carrying Amounts (Net)											
Balance as at March 31, 2024	147.22	36.51	4,062.01	2,775.38	588.24	29.22	11.29	51.92	370.55	23.63	396.18
Balance as at March 31, 2025	232.95	30.53	4,495.68	3,057.42	682.11	35.71	6.95	44.12	364.71	16.91	381.62

The Company has created a first pari-passu charge on moveable property, plant and equipment (present and future) for availing loan facility with banks (refer note 17).



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

4 Property, plant, equipments and other intangible assets (Continued)

B Right of use assets

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (Rs. in million)	Held in the name of	Whether holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in name of Company
Right of use assets	Restaurants premises on lease	676.61	Landlord	No	From 2018 onwards	The Company is in process of duly registering the executed agreement for these 15 premises on lease.

C Capital work in progress

Capital work in progress mainly comprises of upcoming restaurants and restaurants under construction.

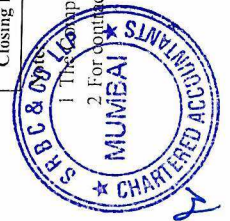
Particulars	As at March 31, 2025	As at March 31, 2024
Capital work in progress	255.16	446.96

Capital work-in-progress ageing schedule

	As at March 31, 2025	As at March 31, 2024
Projects in progress		
Less than 1 year	123.59	427.01
1-2 years	104.00	42.66
2-3 years	49.10	0.50
More than 3 years	0.50	11.97
Total (A)	277.19	482.14
Less: Impairment loss allowance (B)	(22.03)	(35.18)
Total (C = A-B)	255.16	446.96

Capital work-in-progress movement

	As at March 31, 2025	As at March 31, 2024
Opening balance	482.14	601.99
Add: Additions	1,985.33	2,162.46
Less: Capitalisation	(2,190.28)	(2,282.31)
Closing balance	277.19	482.14



1 The Company has created a first pari-passu charge on moveable property (present and future) for availing loan facility with banks (refer note 17).
2 For contractual commitments with respect to Capital work-in-progress, refer note 34.



Hardcastle Restaurants Private Limited

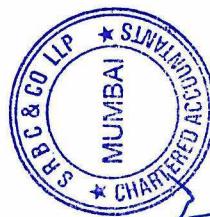
Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

5 Investments

Non trade	As at		Non-Current		As at		Current		As at	
	No. of units	Amount	No. of units	Amount	No. of units	Amount	No. of units	Amount	No. of units	Amount
Investments in mutual funds (valued at FVTPL)										
(Quoted)										
Hill Fort Equity Fund - 01-Jun-2022 - A1	3,00,000	42.82	3,00,000.00	37.15	-	-	-	-	-	-
Hill Fort Equity Fund - 01-Jun-2022 - A2	4,50,000	62.84	4,50,000.00	54.95	-	-	-	-	-	-
ICICI Prudential Balanced Advantage Direct-Growth	-	-	-	-	6,24,774	48.26	6,24,774	44.57	-	-
HSBC Banking and PSU Debt-Growth	-	-	-	-	-	-	54,49,467	120.07	-	-
(Formerly known as L&T Banking and PSU Debt-Growth)	-	-	-	-	-	-	-	-	-	-
HDFC Medium Term Debt-Fund Direct-Growth	-	-	-	-	10,69,632	63.82	10,69,632	58.63	-	-
HSBC Corporate Bond-Growth	-	-	-	-	-	-	22,73,395	150.03	-	-
(Formerly known as L&T Triple Ace Bond-Growth)	-	-	-	-	-	-	-	-	-	-
ABSL Corporate Bond Fund - Growth	-	-	-	-	11,79,394	130.47	-	-	-	-
HDFC Corporate Bond Fund - Growth	-	-	-	-	37,81,185	120.49	-	-	-	-
Bandhan Low Duration Reg-Growth	-	-	-	-	-	-	15,96,416	56.19	-	-
(Formerly known as IDFC Low Duration Reg Growth Fund)	-	-	-	-	-	-	-	-	-	-
SBI Magnum Medium Duration Fund- Direct - Growth	-	-	-	-	7,08,471	38.31	7,08,471	35.19	-	-
HDFC Short Term Debt Fund - Direct - Growth	-	-	-	-	11,80,235	38.10	11,80,235	35.04	-	-
		105.66		92.10		439.45				499.72



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)
as at March 31, 2025

(Rs in millions)

5 Investments (Continued)

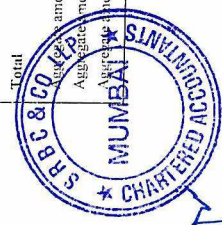
Non trade	Non-Current			Current		
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	No. of units	Amount	No. of units	Amount	No. of units	Amount
Investments in bonds / NCD (valued at FVTPL)						
(Quoted)						
Piramal Capital & Housing Finance Limited 6 75 LOA 26 Sep 31	61,000	45.44	61,000.00	45.99	-	-
6 75% Piramal Capital 26-Sept-2031	63,900	46.86	62,900.00	47.42	-	-
HDB Financial Services Ltd Series A(02e)/186 Op 1 NCD 13 Jan 26	-	-	50.00	55.80	50	60.48
Hero FinCorp Ltd Series HFCLNCD058 NCD 13 Aug 24	-	-	-	-	-	-
Konark Mahindra Investments Limited Series III NCD 19 May 26	750	88.84	750.00	81.70	50	55.29
Energy Infrastructure Trust Invt (20th Dec 2029) (Formerly known as India Infrastructure Trust)	4,00,000	33.90	4,00,000.00	38.80	-	-
Embassy Office Parks Real Estate Inv Trust	29,300	10.71	29,300.00	10.83	-	-
Mindspac Buss Parks Real Estate Inv Trust	32,700	12.25	32,700.00	11.29	-	-
Manipal Healthcare Tr B Maturity Date 10-Apr-26	50	61.34	50.00	54.95	-	-
360 One Prime Limited 9 03 Ncd 28Feb26 Fvrs/Lac (28-June-2026)	500	50.05	500.00	50.05	-	-
Performance Chemiserve Limited Sr 1 9 75 Ncd 06Jul26 Fvrs/Lac (06-Jan-2026)	-	-	570.00	57.44	-	-
Cybere Zero Coupon NCDs 17 03 2028 (17-Mar-2028)	1,200	129.60	-	-	-	-
Bank of Baroda Series XV 8 15 BD Perpetual	-	-	-	-	-	-
8 20 SHRIRAM TRANSPORT FINANCE COMPANY LIMITED 15OCT2027	50	51.85	-	-	-	-
8 80 HINDUJA LEYLAND FINANCE LIMITED 17DEC2029	600	61.50	-	-	-	-
MOTILAL OSWAL FIN SERV LTD=9 70% SEC NCD SR VIII PI-RD 09-05-2034	34,548	38.73	-	-	-	-
SBI-7 73%-Perpetual-AT1	-	-	40.00	40.41	40	40.92
		631.07		494.68		106.19
Investments in bonds / NCD (valued at FVTPL)						
(Unquoted)						
T S Rajam Rubbers Private Limited 15 25%-NCD (31 Jan 2030)	100	100.00	-	-	-	-
RV Capital India Credit Plus Fund	1,43,355	16.50	-	-	-	-
		116.50		-		-
Investment in Preference shares (valued at FVTPL)						
(Unquoted)						
Ekam Ultra Farms Private Limited	2,74,836	53.61	2,74,836	53.61	-	-
Healthilicious Basil Foodtech Pvt Ltd	441	5.00	441	5.00	-	-
		58.61		58.61		-
Total		911.84		645.39		605.91
		736.73		586.78		605.91
		175.11		58.61		-

Total

Agreed amount of quoted investments and market value thereof

Agreed amount of impairment in value of investments

Agreed amount of unquoted investments



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

6 Loans

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good)				
Loan to Related Party (refer note 32 and 38) (refer note i & ii below)	-	-	212.10	195.99
Loan to others (refer note ii below)	1.22	2.96	4.48	2.74
Total	1.22	2.96	216.58	198.73

i) During the current year, short term loan of Rs. 27.50 million (March 31, 2024: Rs 30 million) was granted to Westlife ESOS Trust, which is repayable on demand. The loan granted is an interest free loan since this trust is an extended arm of the Company and has been set up for the purpose of facilitating the Employee Stock Option Scheme ("ESOP") by the Company. The Company has not exercised its right to demand the loan during the year. As at March 31, 2025, the amount outstanding in respect of the loan granted is Rs. 212.10 million (March 31, 2024: Rs 195.99 million).

ii) All loans are within India.

7 Other financial assets

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Security deposits to lessors				
Unsecured, considered good	444.90	411.08	10.10	9.07
Credit impaired	5.10	6.80	-	-
Less: Impairment loss allowance	(5.10)	(6.80)	-	-
(Unsecured, considered good)	444.90	411.08	10.10	9.07
Security deposits to others				
Credit impaired	82.20	67.94	0.38	-
Less: Impairment loss allowance	1.47	-	-	-
	(1.47)	-	-	-
	82.20	67.94	0.38	-
Bank deposits with remaining maturity of more than 12 months**	0.19	2.89	-	-
Leasehold improvements contributions receivable				
Unsecured, considered good	2.84	5.50	7.70	22.85
Credit impaired	-	-	-	3.00
Less: Impairment loss allowance	-	-	-	(3.00)
	2.84	5.50	7.70	22.85
Other receivables*				
Unsecured, considered good	-	-	157.27	100.84
Credit impaired	-	-	9.08	0.88
Less: Impairment loss allowance	-	-	(9.08)	(0.88)
	-	-	157.27	100.84
Total	530.13	487.41	175.45	132.76

*Other receivables includes Rs. 6.44 million (March 31, 2024: Rs 8.62 million) advance given to related party (refer note 32).

**Deposits are pledged as securities for borrowings taken from banks (refer note 17).



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

8 Other assets

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good)				
Capital advances	18.31	0.98	-	-
Advances other than capital advances				
Prepaid expenses	116.46	94.66	97.60	112.52
Advance to employees	-	-	11.11	11.50
Advance to suppliers	-	-	41.17	23.41
Balances with government authorities	179.27	180.46	-	-
	<u>314.04</u>	<u>276.10</u>	<u>149.88</u>	<u>147.43</u>

9 Inventories

(Valued at lower of cost and net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials		
Food items	550.27	393.68
Paper Products	130.86	128.89
Toys & Premiums	10.59	9.30
Stores, spares & consumables	115.91	100.52
Total	<u>807.63</u>	<u>632.39</u>

For inventories secured against borrowings, refer note 17



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

10 Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good	189.80	173.29
Credit impaired	-	-
Impairment loss allowance	-	-
Total	189.80	173.29

For Trade receivables secured against borrowings, refer note 17

Trade receivables ageing schedule: Outstanding for following periods from due date of payment

	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2025						
i) Undisputed Trade receivables – considered good	189.80	-	-	-	-	189.80
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	-	-	-	-	-	-
As at 31 March 2024						
i) Undisputed Trade receivables – considered good	173.29	-	-	-	-	173.29
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	-	-	-	-	-	-



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

11 Cash and bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
(a) Balances with banks:		
– On current accounts	185.07	85.68
– Deposits with original maturity of less than 3 months	336.00	-
(b) Cash on hand	64.44	52.70
	<u>585.51</u>	<u>138.38</u>
Other bank balances		
– Deposits with remaining maturity for less than 12 months*	2.75	0.05
Total	<u>588.26</u>	<u>138.43</u>

*Deposits are pledged as securities for borrowings taken from banks (refer note 17).

12 Income tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax including tax deducted at source (net of provision for tax of Rs. 387.94 million (March 31, 2024: Rs. 480.87 million))	15.96	155.79
	<u>15.96</u>	<u>155.79</u>



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

13 Equity share capital

	As at March 31, 2025	As at March 31, 2024
Authorised		
1,765,000 (March 31, 2024: 1,765,000) equity shares of Rs 1,000 each	1,765.00	1,765.00
	<u>1,765.00</u>	<u>1,765.00</u>
Issued, subscribed and fully paid-up		
873,814 (March 31, 2024: 873,814) equity shares of Rs. 1,000 each fully paid up	873.81	873.81
	<u>873.81</u>	<u>873.81</u>

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year.

	As at March 31, 2025		As at March 31, 2024	
Equity shares of Rs. 1,000 each fully paid up	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	8,73,814	873.81	8,73,814	873.81
Less: Adjustment pursuant to Capital reduction order (refer note vi below)	-	-	-	-
Outstanding at the end of the year	<u>8,73,814</u>	<u>873.81</u>	<u>8,73,814</u>	<u>873.81</u>

ii) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs 1,000 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) Shares held by the holding company

	As at March 31, 2025		As at March 31, 2024	
Equity shares of Rs. 1,000 each fully paid up	No. of shares	Amount	No. of shares	Amount
Westlife Foodworld Limitd (WFL) (Formerly known as Westlife Development Limited)	8,73,810	873.81	8,73,810	873.81
Total	<u>8,73,810</u>	<u>873.81</u>	<u>8,73,810</u>	<u>873.81</u>

iv) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2025		As at March 31, 2024	
Equity shares of Rs 1,000 each fully paid up	No. of shares	% Holding	No. of shares	% Holding
Westlife Foodworld Limitd - (Holding Company) (Formerly known as Westlife Development Limited)	8,73,810	99.99%	8,73,810	99.99%



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

v) Shares held by promoters at the end of the year

Promoter name	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of shares	% Holding	No. of shares	% Holding	
Westlife Foodworld Limitd - (Holding Company) <i>(Formerly known as Westlife Development Limited)</i>	8,73,810	99.99%	8,73,810	99.99%	-
Amit Jatia*	1	0.00%	1	0.00%	-
Smita Jatia*	1	0.00%	1	0.00%	-
Horizon Impex Private Limited*	1	0.00%	1	0.00%	-
Subh Ashish Exim Private Limited*	1	0.00%	1	0.00%	-

* Nominee Shareholders on behalf of Westlife Foodworld Limitd (Formerly known as Westlife Development Limited).

Promoter name	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of shares	% Holding	No. of shares	% Holding	
Westlife Foodworld Limitd - (Holding Company)	8,73,810	99.99%	8,73,810	99.99%	-
Amit Jatia*	1	0.00%	1	0.00%	-
Smita Jatia*	1	0.00%	1	0.00%	-
Horizon Impex Private Limited*	1	0.00%	1	0.00%	-
Subh Ashish Exim Private Limited*	1	0.00%	1	0.00%	-

* Nominee Shareholders on behalf of Westlife Foodworld Limitd (Formerly known as Westlife Development Limited).

vi) Capital Reduction

During financial year ended March 31, 2022, pursuant to the board resolution dated August 13, 2021 and shareholder's resolution dated September 13, 2021 passed at the annual general meeting, the Company approved arrangement for writing off accumulated losses against securities premium account, proportionate reduction in the paid up share capital of the Company and subsequently, consolidating the face value of equity shares ("Capital Reduction") in accordance with Section 52 of the Companies Act, 2013 and Section 66 of the Companies Act, 2013 read with National Company Law Tribunal ("NCLT") (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013. The Hon'ble NCLT approved the said capital reduction arrangement vide its order dated March 3, 2022. Consequently, the Company filed a certified copy of Order with Registrar of Companies ("ROC") on March 31, 2022.

In accordance with the order passed for capital reduction arrangement, the Company reduced the paid-up share capital by Rs. 873.82 million by reducing face value of equity share from Rs. 1,000 to Rs. 500 per share and reduced securities premium account by Rs. 3,864.21 million and such cumulative reduction was effected by writing off the accumulated losses of Rs. 4,738.02 million. Subsequently, the Company consolidated every two equity shares of Rs. 500 each into one equity share of Rs. 1,000 each. Accordingly, the paid-up capital of the Company after such reduction and consolidation is Rs. 873.81 million divided into 873,814 equity shares of Rs.1,000 each fully paid-up.

vii) As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

viii) 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 5 years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

14 Other financial liabilities

Particulars	Non-current		Current	
	As at	As at	As at	As at
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Security deposits	2.07	1.74	150.00	-
Liability for capital expenditure	-	-	389.09	487.27
Interest accrued	-	-	5.38	5.42
Employee related liabilities (refer note 32)	-	-	410.86	408.17
Total	2.07	1.74	955.33	900.86

15 Provisions

Particulars	Non-current		Current	
	As at	As at	As at	As at
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Provision for employee benefits (refer note 31)	-	-	112.52	92.64
Provision for income tax	-	-	34.61	6.44
Total	-	-	147.13	99.08

16 Deferred tax assets / (liabilities) (net)

Deferred tax assets / (liabilities) are as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
Employee benefits	48.91	53.46
Other expenses	66.90	45.50
Lease liabilities	3,282.08	2,801.66
Excess of depreciation provided in the books over depreciation allowable under income tax laws	216.25	148.92
Security deposits	120.01	103.16
Other temporary differences	0.81	0.81
Total deferred tax assets	3,734.96	3,153.51
Deferred tax liabilities		
Right of use assets	(2,788.06)	(2,417.60)
Fair value (gain) / loss	(18.52)	(28.32)
Total deferred tax liabilities	(2,806.58)	(2,445.92)
Deferred tax assets (net)	928.38	707.59



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

17 Borrowings

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
At amortised cost				
Secured				
Term loan from banks (refer note i below)	320.00	-	80.00	-
Short-term loan from banks (refer note ii to xi below)	-	-	2,554.09	2,310.00
Unsecured				
Short-term loan from others (refer note xii to xiv below)	-	-	136.93	108.43
Total	320.00	-	2,771.02	2,418.43

- i The Company has availed a term loan facility of Rs. 400 million (March 31, 2024: Nil) from Australia and New Zealand Banking Group Limited (ANZ Bank) for the purpose of Capital Expenditure and to open various stores. Interest is charged at 8.35% p.a. (March 31, 2024: Nil). The loan is repayable in ten equal quarterly instalments after end of moratorium period of 6 months from the end of the period ie March 31, 2025. As at March 31, 2025 the amount outstanding in respect of the said facility is Rs. 400 million (March 31, 2024: Nil). To avail this term loan, the Company has created a first pari passu charge on the Movable Assets. Since, term loan was raised towards the end of the year (March 2025) and hence have not been utilised by the end of the year.
- ii The Company had availed a loan facility of Rs. 950 million (March 31, 2024: Rs. 950 million) from HDFC Bank Limited. This facility is sanctioned for the purpose of financing working capital/business expansion. To avail this facility, the Company has created an exclusive charge on the credit card receivables to the extent of Rs. 200 million by way of hypothecation and for balance pari-passu charge on movable fixed assets. Interest charged at 7.86% p.a.- 8.65% p.a. (March 31, 2024: 7.37% p.a.- 8.30% p.a.) is payable monthly. The overdraft facility is repayable on demand and short term loan facility is repayable within 180 days with a cooling period of 2 days. As at March 31, 2025 the amount outstanding in respect of the short term loan is Rs. 200 million (March 31, 2024: Rs. 400 million) and amount outstanding in respect of the overdraft facility was Rs. Nil (March 31, 2024: Rs. Nil).
- iii The Company has availed a loan facility of Rs. 1,600 million (March 31, 2024: Rs. 2,000 million) from Australia and New Zealand Banking Group Limited (ANZ Bank) for the purpose of financing operating capital expenditure. Interest is charged at 7.58% p.a. to 9.00% p.a. (March 31, 2024: 7.58% p.a. to 9.05% p.a.). The loan is repayable within 180 days from the date of any drawdown. As at March 31, 2025 the amount outstanding in respect of the said facility is Rs. 996 million (March 31, 2024: Rs. 640 million) and amount outstanding in respect of the overdraft facility was Rs. Nil (March 31, 2024: Rs. Nil). To avail these short term loan and overdraft facility, the Company has created a first pari passu charge on the movable assets.
- iv The Company has availed a loan facility of Rs. 300 million (March 31, 2024: Rs. 600 million) from Development Bank of Singapore India Limited for the purpose of working capital requirements. The Company has created a first pari-passu charge on all stock and book debts. Interest is charged at NIL (March 31, 2024: Nil). The loan is repayable on demand. As at March 31, 2025 the amount outstanding in respect of the said facility is Rs. Nil (March 31, 2024: Rs. Nil) and amount outstanding in respect of the overdraft facility was Rs. Nil (March 31, 2024: Rs. Nil).
- v The Company has availed a loan facility of Rs. 750 million (March 31, 2024: Rs.750 million) with Kotak Mahindra Bank Ltd. Interest is charged at an interest rate of 7.60% p.a. to 8.10% p.a. (March 31, 2024: 7.75% p.a. to 8.00% p.a.). This facility is for financing the working capital requirement and is repayable on demand. As at March 31, 2025 the amount outstanding in respect of the said facility is Rs. 450 million (March 31, 2024: Rs. 450 million). The Company has created a first pari passu charge on the movable assets to facilitate the short term loan and overdraft facility.
- vi The Company has availed a loan facility of Rs.750 million (March 31, 2024: Rs. 750 Million) with ICICI Bank Ltd. Interest is charged at 7.75% p.a. to 8.15% p.a. (March 31, 2024: 7.79% p.a. to 9.00% p.a.). To avail this facility, the Company has created a first pari passu charge on all current assets and moveable fixed assets. The amount outstanding in respect of the short term loan facility as at March 31, 2025 is Rs. 200 million (March 31, 2024: Rs. 200 million).
- vii The Company has availed a combined working capital facility of Rs.300 million (March 31, 2024: Rs. 1000 Million) from IDFC First Bank Ltd. As at March 31, 2025 the amount outstanding in respect of the said facility is Nil (March 31, 2024: Nil). To avail this facility, the Company has created a first pari passu charge on the movable assets.
- viii The Company has availed a loan facility of Rs.750 million (March 31, 2024: Rs. 750 Million) with Axis Bank Ltd. Interest is charged at 7.75% p.a. to 8.40% p.a (March 31, 2024: 7.65% p.a. to 8.40% p.a.). To avail this facility, the Company has created a first pari passu charge on movable Fixed Assets. The amount outstanding in respect of the short term loan facility as at March 31, 2025 is Rs. 550 million (March 31, 2024: Rs. 620 million).
- ix The Company has availed a loan facility of Rs.1000 million (March 31, 2024: Rs. Nil) with Standard Chartered Bank. This facility is sanctioned for the purpose of financing working capital/ invoice financing. Interest is charged at 7.80% p.a. (March 31, 2024: Nil). To avail this facility, the Company has created a first pari passu charge on current assets and movable fixed assets. The amount outstanding in respect of the short term loan facility as at March 31, 2025 is Rs. 158 million (March 31, 2024: Rs. Nil).

There are no pending creation and satisfaction of charges with respect to the secured loans.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

as at March 31, 2025

(Rs. in millions)

17 Borrowings (Continued)

- xi The quarterly returns or statements filed by the Company with banks are in agreement with the books of account of the Company for the current and previous financial year.
- xii During the current year, short term loan of Rs. Nil (March 31, 2024: Rs. 38.15 million) was availed from Westlife Foodworld Limited, which is repayable on demand. The loan carries interest at the rate of 8% per annum which is repayable on demand. As at March 31, 2025, the amount outstanding in respect of the loan granted is Rs. 10.00 million (March 31, 2024: Rs. 28.15 million).
- xiii The Company has availed a purchase credit card facility of Rs. 250 million (March 31, 2024: Rs. 250 million) with ICICI Bank Ltd. This facility is sanctioned for the purpose of financing working capital/business expansion. The amount outstanding in respect of the facility as at March 31, 2025 is Rs. 102.50 million (March 31, 2024: Rs. 71.56 million).
- xiv The Company has availed a purchase credit card facility of Rs.50 million (March 31, 2024: Rs.50 million) with HDFC Bank Ltd. This facility is sanctioned for the purpose of financing working capital/business expansion. The amount outstanding in respect of the facility as at March 31, 2025 is Rs. 24.43 million (March 31, 2024: Rs. 8.72 million).

The Company has not defaulted in repayment of scheduled interest and principal repayments relating to borrowings.

18 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables		
- Total outstanding dues of micro enterprise and small enterprises (refer note 37)	94.41	31.80
- Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 32)	2,221.62	1,985.47
Total	2,316.03	2,017.27

Trade Payables ageing schedule: Outstanding for following period from due date of payment

	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2025							
MSME	-	94.41	-	-	-	-	94.41
Others	1,096.76	835.03	288.77	1.06	-	-	2,221.62
	1,096.76	929.44	288.77	1.06	-	-	2,316.03
As at March 31, 2024							
MSME	-	20.44	11.36	-	-	-	31.80
Others	1,064.53	666.76	251.11	1.08	0.45	1.54	1,985.47
	1,064.53	687.20	262.47	1.08	0.45	1.54	2,017.27

19 Other liabilities

Particulars	Current	
	As at March 31, 2025	As at March 31, 2024
Statutory dues	220.46	185.65
Other payables (refer note 32)	78.26	75.59
Payable towards Corporate Social Responsibility (refer note 26.2)	20.50	3.85
Deferred revenue liabilities (refer note 20)	57.74	47.50
Advance received from customers (refer note 20)	5.90	5.72
Total	382.86	318.31



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

20 Revenue from operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sales (refer note 20.1 below)	24,741.32	23,682.18
Other operating revenue		
a) Conducting fees	-	0.09
b) Franchising income	1.92	4.35
c) Scrap sales	83.53	74.56
d) Space rental & alliances income	3.87	5.36
e) Miscellaneous provisions written back	70.94	142.30
Total	24,901.58	23,908.84
20.1 Details of sales		
Food	16,353.17	16,333.40
Beverages, Desserts, Others	8,388.15	7,348.78
Total	24,741.32	23,682.18

a) For revenue from sale of products, the reconciliation of contract price to revenue from sale of products is as below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract price	24,751.56	23,729.68
Adjustments:		
-Trade discount, volume rebates etc.	-	-
-Loyalty point	10.24	47.50
	24,741.32	23,682.18

b) Contract Liabilities: The Company has recognised the following revenue - related contract liabilities:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Customer Loyalty Program Points	10.24	47.50
Advances received from customer (Gift cards)	5.90	5.72
	16.14	53.22

21 Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income at amortised cost		
- Bank deposits	0.86	8.76
- Interest on investments	33.61	28.39
- Others (refer note 32)	69.02	28.31
Profit on sale of investments	15.89	-
Gain on investments carried at fair value through statement of profit and loss	63.12	86.67
Miscellaneous income	61.46	30.70
Total	243.96	182.83



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

22 Cost of materials consumed

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventory at the beginning of the year	531.87	618.86
Add: Purchases during the year	7,612.61	7,019.94
	8,144.48	7,638.80
Less: Inventory at end of the year	(691.72)	(531.87)
Total	7,452.76	7,106.93
22.1 - Details of cost of materials consumed		
Food	6,458.12	6,094.48
Paper	968.76	989.83
Toys & Premiums	25.88	22.62
Total	7,452.76	7,106.93

23 Employee benefits expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus	3,112.93	2,819.27
Contribution to provident and other funds (refer note 31(a))	270.12	257.69
Employee stock compensation expense (refer note 38)	53.89	72.18
Gratuity (refer note 31(b))	30.28	28.59
Staff welfare expenses	131.17	107.63
Total	3,598.39	3,285.36

24 Finance cost

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on		
- Borrowings at amortised cost	204.04	176.53
- Leases liabilities (refer note 41)	1,045.91	900.91
- Bank overdraft at amortised cost	5.18	12.07
- Others	0.39	0.47
Bank charges	17.12	8.70
Total	1,272.64	1,098.68

25 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on property, plant and equipment	1,207.80	1,086.84
Depreciation on Right to use assets (refer note 41)	751.28	659.54
Amortisation of intangible assets	81.96	75.86
Total	2,041.04	1,822.24



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

26 Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Electricity utilities	1,570.59	1,313.06
Gas utilities	199.02	200.68
Other utilities	82.48	69.28
Conducting charges	1,115.99	1,033.82
Commission on aggregators charges	1,921.90	1,832.42
Marketing and promotions	1,282.73	1,323.67
Royalty fee	1,269.90	1,164.17
Maintenance & repairs - restaurant equipments	411.38	222.97
Maintenance & repairs - others	365.03	424.72
Operating supplies at stores	287.34	261.58
Travelling and conveyance	153.69	135.75
Legal and professional fees (refer note 26.1 below)	200.20	206.63
Rent	29.02	56.37
Impairment loss allowance on trade receivables	-	0.88
Processing charges	943.34	845.55
Loss on sale of investments	-	14.38
Loss on sale / write off of property, plant and equipment	91.87	63.55
Training and development expenses	31.16	24.81
Communication costs	73.46	51.48
Rates & taxes	39.07	38.70
Insurance	50.18	42.19
Exchange differences (net)	1.66	6.60
CSR expenses (refer note 26.2 below)	18.30	3.85
Miscellaneous expenses	508.18	473.58
Total	10,646.49	9,810.70
Note 26.1 :		
Payment to auditors including goods and services tax (included in Legal and professional)		
As auditor :		
Audit fees	7.41	6.84
In other capacity		
Certification matters	0.11	0.11
Reimbursement of expenses	0.54	0.42
Total	8.06	7.37
Note 26.2 :		
Details of CSR expenditure:		
a) Gross amount required to be spent by the Company during the year	18.30	3.85
b) Amount approved by the Board to be spent during the year	18.30	3.85
c) Amount spent during the year ending on 31 March 2025:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above for current year	0.75	17.55
iii) On purposes other than (i) above for previous year	0.90	2.95
d) Amount spent during the year ending on 31 March 2024:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	3.85
e) Details of related party transactions		
	-	-
f) At the end of the financial year 31st March 2025, in aggregate Rs. 20.50 million (31st March 2024: Rs. 3.85 million) remained unspent in respect of an on-going project which was subsequently transferred to a separate account pursuant to section 135(6) of the Act.		



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

27 Tax expense

A Amount recognised in statement of profit and loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Current tax		
Current year	205.96	373.26
Adjustment related to tax of prior years	(2.61)	6.44
(b) Deferred tax charge / (credit)		
Attributable to:		
Employee benefits	6.57	(1.73)
Other expenses	(21.40)	(5.52)
Lease liabilities	(480.42)	(314.30)
Right of use assets	370.46	213.31
Security deposits	(16.84)	(27.43)
ESOP amortisation at fair value	-	16.10
Excess of depreciation provided in the books over depreciation allowable under income tax laws	(67.33)	(24.24)
Fair value gain / (loss)	(9.81)	42.32
Other temporary differences	37.06	(27.50)
Net deferred tax (credit)	(181.71)	(129.01)
Total tax	21.64	250.69

B Amount recognised in other comprehensive income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income tax related to items recognised in Other Comprehensive Income during the year:		
Re-measurements of defined benefit plan	(2.02)	(2.41)
Total income tax recognised in other comprehensive income	(2.02)	(2.41)

C Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate :

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	134.22	967.76
Applicable income tax rate (refer note below)	25.17%	25.17%
Expected income tax expense (a)	33.78	243.59
Effects of:		
Non-deductible expenses		
Effect of different tax rate on certain items	(14.07)	-
Others	4.54	0.66
Adjustment related to tax of prior years	(2.61)	6.44
Sub-total (b)	(12.14)	7.10
Total charge as per statement of profit and loss (a) + (b)	21.64	250.69

Notes:

- i) During the year ended March 31, 2020, the Company had elected to exercise the option to pay income tax at a concessional rate, as permitted under section 115BAA of the Income tax act, 1961.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

D Movement in temporary differences

Particulars	Balance as at April 01, 2024	Credit/(Charge) in profit or loss during 2024-25 #	Recognised in OCI during 2024-25	Balance as at March 31, 2025
Deferred tax assets				
Employee benefits	53.46	(6.57)	2.02	48.91
Other expenses	45.50	21.40	-	66.90
ESOP amortisation at fair value	-	-	-	-
Lease liabilities	2,801.66	480.42	-	3,282.08
Security deposits	103.17	16.84	-	120.01
Excess of depreciation provided in the books over depreciation allowable under income tax laws	148.92	67.33	-	216.25
Other temporary differences	0.81	-	-	0.81
Total deferred tax assets	3,153.52	579.42	2.02	3,734.96
Deferred tax liabilities				
Right of use assets	(2,417.60)	(370.46)	-	(2,788.06)
Fair value (gain) / loss	(28.33)	9.81	-	(18.52)
Total deferred tax liabilities	(2,445.93)	(360.65)	-	(2,806.58)
Deferred tax assets (net)	707.59	218.77	2.02	928.38

includes deferred tax credit of current year Rs 181.71 million and deferred tax credit of Rs 37.06 million relating to earlier years.

Particulars	Balance as at April 01, 2023	Credit/(Charge) in profit or loss during 2023-24*	Recognised in OCI during 2023-24	Balance as at March 31, 2024
Deferred tax assets				
Employee benefits	49.32	1.73	2.41	53.46
Other expenses	39.98	5.52	-	45.50
ESOP amortisation at fair value	16.10	(16.10)	-	-
Lease liabilities	2,487.36	314.30	-	2,801.66
Security deposits	75.72	27.45	-	103.17
Excess of depreciation provided in the books over depreciation allowable under income tax laws	124.68	24.24	-	148.92
Other temporary differences	0.81	-	-	0.81
Total deferred tax assets	2,793.97	357.14	2.41	3,153.52
Deferred tax liabilities				
Right of use assets	(2,204.29)	(213.31)	-	(2,417.60)
Fair value (gain) / loss	14.00	(42.33)	-	(28.33)
Total deferred tax liabilities	(2,190.29)	(255.64)	-	(2,445.93)
Deferred tax assets (net)	603.68	101.50	2.41	707.59

* includes deferred tax credit of financial year 2023-24, Rs 129.01 million and deferred tax charge of Rs 27.50 million relating to earlier years.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

28 Fair value measurement

a Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2025 were as follows:

Particulars	Amortised cost	Fair Value Through Profit or Loss	Total carrying value
Assets:			
Cash and cash equivalents	585.51	-	585.51
Bank balances other than above	2.75	-	2.75
Investments	-	1,452.69	1,452.69
Trade receivables	189.80	-	189.80
Loans	217.80	-	217.80
Other financial assets	705.58	-	705.58
Total	1,701.44	1,452.69	3,154.13
Liabilities:			
Borrowings	3,091.02	-	3,091.02
Lease Liabilities	13,150.82	-	13,150.82
Trade payables	2,316.03	-	2,316.03
Other financial liabilities	957.40	-	957.40
Total	19,515.27	-	19,515.27

The carrying value and fair value of financial instruments by categories as of March 31, 2024 were as follows:

Particulars	Amortised cost	Fair Value Through Profit or Loss	Total carrying value
Assets:			
Cash and cash equivalents	138.38	-	138.38
Bank balances other than above	0.05	-	0.05
Investments	-	1,251.30	1,251.30
Trade receivables	173.29	-	173.29
Loans	201.69	-	201.69
Other financial assets	620.17	-	620.17
Total	1,133.58	1,251.30	2,384.88
Liabilities:			
Borrowings	2,418.43	-	2,418.43
Lease Liabilities	11,234.97	-	11,234.97
Trade payables	2,017.27	-	2,017.27
Other financial liabilities	902.60	-	902.60
Total	16,573.27	-	16,573.27

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at March 31, 2025 and March 31, 2024, approximate the fair value due to their nature. Carrying amounts of bank deposits, earmarked balances with banks, loans, other financial assets, borrowings and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

28 Fair value measurement (Continued)

b Fair value hierarchy

This 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 Company has classified its financial instruments into 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. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :

Particulars	As at March 31, 2025	Fair value measurement at end of the reporting year		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual funds	545.11	545.11	-	-
Investments in bonds / NCD	848.97	732.47	-	116.50
Investment in preference shares	58.61	-	-	58.61

Particulars	As at March 31, 2024	Fair value measurement at end of the reporting year		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual funds	591.82	591.82	-	-
Investments in bonds / NDC	600.87	600.87	-	-
Investment in preference shares	58.61	-	-	58.61

Reconciliation of level 3 fair value measurement of financial assets is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	58.61	9.41
Additions during the year	116.50	49.20
Impairment in value of investments	-	-
Balance at the end of the year	175.11	58.61



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

Measurement of fair values

The following tables show the valuation techniques used in measuring Level 1 fair values, for financial instruments measured at fair value in the statement of financial position.

Financial instruments measured at fair value

Type	Valuation technique
Investment in mutual funds and corporate bonds	The fair values of investments in units of mutual fund and corporate bonds are based on the Net Asset Value [NAV] as stated by their issuer in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual funds and corporate bonds and the price at which issuers will redeem such units from the investors.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

Level 3

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2025 and March 31, 2024.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

29 Financial risk management

Financial risk

In the course of its business, the Company is exposed to a number of financial risks: credit risk, liquidity risk and market risk. This note presents the Company's objectives, policies and processes for managing its financial risk and capital. The key risks and mitigating actions are also placed before the Board of Directors of the Company. 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 manages the risk through the finance department that ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

A Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises on liquid assets, financial assets, trade and other receivables.

In respect of its investments the Company aims to minimize its financial credit risk through the application of risk management policies.

Trade receivables are subject to credit limits, controls and approval processes. Basis the historical experience, the risk of default in case of trade receivable is low. Provision is made for doubtful receivables on individual basis depending on the customer ageing, customer category, specific credit circumstances and the historical experience of the company.

The Company has trade receivables amounting to Rs. 189.80 millions as at March 31, 2025 (March 31, 2024 - Rs. 173.29 millions). There are no significant amounts due by more than 180 days and not provided for. Management believes that these are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The Company also has an exposure in respect of other financial assets, viz; cash and cash equivalents, fixed deposits with banks, loans, security deposits and others.

Credit risk on cash and cash equivalents (including bank balances, fixed deposits and margin money with banks) is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Security deposits are interest free deposits given by the Company primarily for properties taken on lease. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount.

None of the other financial instruments of the Company result in material concentration of credit risk.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

29 Financial risk management (Continued)

A Credit risk (Continued)

	Amount
As at March 31, 2025	938.84
As at March 31, 2024	829.65

(Refer note below)

Loans, security deposits, leasehold improvements contributions receivable and other receivables:

Expected credit loss for loans, security deposits, leasehold improvements contributions receivable and other receivable

Particulars		Year Ended	Asset Company	Gross carrying amount	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	31-03-2025	Loans	217.80	-	-	217.80
			Security Deposits	544.15	1.21%	6.57	537.58
			Leasehold improvements contributions receivable	10.54	-	-	10.54
			Other receivable	166.35	5.46%	9.08	157.27
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-03-2024	Loans	201.69	-	-	201.69
			Security Deposits	494.89	1.37%	6.80	488.09
			Leasehold improvements contributions receivable	31.35	9.57%	3.00	28.35
			Other receivable	101.72	0.87%	0.88	100.84



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

29 Financial risk management (Continued)

B 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 corporate treasury department is responsible for liquidity and funding. In addition, processes and policies related to such risks are overseen by senior management.

The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is able to maintain the liquidity through sales realised across all the restaurants and use of bank overdrafts and bank loans.

Maturity patterns of financial liabilities:

As at 31 March 2025	Carrying Amount	Less than 1 year	1 year - 2 years	2 years to 3 years	3 years and above	Total
Borrowings	3,091.02	2,771.02	160.00	160.00	-	3,091.02
Trade payables	2,316.03	2,316.03	-	-	-	2,316.03
Lease liabilities (refer note 41(iv))	13,150.82	1,421.20	1,455.97	1,491.24	23,195.40	27,563.81
Other financial liabilities	957.40	955.33	2.07	-	-	957.40
Total	19,515.27	7,463.58	1,618.04	1,651.24	23,195.40	33,928.26

As at 31 March 2024	Carrying Amount	Less than 1 year	1 year - 2 years	2 years to 3 years	3 years and above	Total
Borrowings	2,418.43	2,418.43	-	-	-	2,418.43
Trade payables	2,017.27	2,017.27	-	-	-	2,017.27
Lease liabilities (refer note 41(iv))	11,234.97	1,213.07	1,239.81	1,249.36	19,363.28	23,065.52
Other financial liabilities	902.60	900.86	1.74	-	-	902.60
Total	16,573.27	6,549.63	1,241.55	1,249.36	19,363.28	28,403.82

C Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, 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 is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

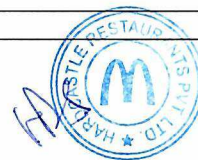
(a) The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	Currency	31-Mar-25			31-Mar-24		
		Total Exposure	Hedged Exposure	Net Foreign Currency Exposure	Total Exposure	Hedged Exposure	Net Foreign Currency Exposure
Monetary Assets	USD	-	-	-	-	-	-
Monetary Liabilities (Trade Payables)	USD*	1.00	-	1.00	0.92	-	0.92

* equivalent INR Rs 85.88 million (March 31, 2024: Rs 76.34 million)

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

Year	Change in USD Rate	Effect on profit before tax and equity
31st March, 2025	5%	4.29
	-5%	(4.29)
31st March, 2024	5%	3.84
	-5%	(3.84)



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

29 Financial risk management (Continued)

C Market risk (Continued)

- ii) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from bank borrowings and overdrafts with variable rates and also interest on deposits with banks.

The sensitivity analyses below have been determined based on exposure to interest rate with floating rates. The analysis is prepared assuming the amount of borrowings and deposits with banks that are outstanding at the end of the reporting period, was outstanding for the whole year. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings and deposits with banks affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate as follows:

Particulars	Effect on loss before tax	
	Year ended March 31, 2025	Year ended March 31, 2024
Increase / decrease in 150 basis points	46.37	35.07

- iii) Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's investment in mutual funds and corporate bonds is exposed to pricing risk. Other financial instruments held by the company does not possess any risk associated with trading. An increase of 5 percent in Net Assets Value (NAV) of mutual funds and corporate bonds would increase the profit before tax by approximately Rs. 63.88 million (March 31, 2024 - Rs. 59.63 million). A similar percentage decrease would have resulted equivalent opposite impact.

30 Capital management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

The Company monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total interest bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity. The Company's debt to equity ratio as at March 31, 2025 and March 31, 2024 was as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Total borrowings	3,091.02	2,418.43
Less : Cash and cash equivalents	585.51	138.38
Net debt	2,505.51	2,280.05
Equity	5,624.78	5,464.29
Debt to equity ratio	0.45	0.42

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

31 Disclosure under Indian Accounting Standard 19 (Ind AS 19) on employee benefits:

a) Defined contribution plan:

Amount recognised and included in note 23 "Contribution to provident and other funds" represents:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Provident fund	221.45	211.98
Employees State Insurance Scheme (ESIC)	48.08	45.38
Labour welfare fund	0.59	0.33
Total	270.12	257.69

b) Defined benefit plan:

The Company sponsors the Gratuity plan, which is governed by the Payment of Gratuity Act, 1972 and makes annual contribution to trust controlled by the Company and Holding Company, who in turn, invests in the Employees Group Gratuity Scheme of eligible funds for qualifying employees. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary for each completed year of service subject to a maximum of Rs. 2 million.

- (i) Gratuity: The Company has charged the gratuity expense to statement of profit and loss based on the actuarial valuation of gratuity liability at the end of the year. The assumptions considered in the projected unit credit method used to compute the gratuity liability are as under:

Assumptions	As at March 31, 2025	As at March 31, 2024
Expected rate of return on plan assets	6.54%	7.16%
Discount rate	6.54%	7.16%
Salary escalation	6.50%	6.50%
Attrition rate :		
Crew	30.00%	30.00%
Others	12.00%	12.00%
Average expected future service	3 years	3 years
Mortality Rate during employment as per Indian Assured Lives Mortality	2012-14 (Urban)	2012-14 (Urban)
Retirement age	58 years	58 years

(ii) Table showing change in present value of Projected Benefit Obligation:

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of projected benefit obligation at the beginning of the year	156.98	138.17
Interest cost	11.23	10.07
Current service cost	23.65	21.04
Past service cost	-	-
Benefits paid directly by employer	-	-
Benefits paid from fund	(18.63)	(28.27)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	5.21	0.95
Actuarial losses on obligations - due to experience	(6.22)	15.02
Present value of projected benefit obligation at the end of the year	172.22	156.98

(iii) Tables of fair value of plan assets:

Particulars	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at the beginning of the year	64.34	34.56
Interest income	4.60	2.52
Contributions by employer	18.40	49.14
Benefits paid	(18.63)	(28.27)
Expected return on plan assets, excluding interest income	(9.01)	6.39
Fair value of plan assets at the end of the year	59.70	64.34



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

31 Disclosure under Indian Accounting Standard 19 (Ind AS 19) on employee benefits (Continued)

b) Defined benefit plan: (Continued)

(iv) Amount recognised in the balance sheet

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of benefit obligation at the end of the year	(172.22)	(156.98)
Fair value of plan assets at the end of the year	59.70	64.34
Funded status (surplus/(deficit))	(112.52)	(92.64)
Net (liability) disclosed in the balance sheet	(112.52)	(92.64)

(v) Net interest cost for the year

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of projected benefit obligation at the beginning of the year	156.98	138.17
Fair value of plan assets at the beginning of the year	(64.34)	(34.56)
Net liability/ (assets) at the beginning of the year	92.64	103.61
Interest cost	11.23	10.07
Interest income	(4.60)	(2.52)
Net interest cost for current year	6.63	7.55

(vi) Expenses recognised in the statement of profit & loss for the year

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	23.65	21.04
Net interest cost	6.63	7.55
Past service cost	-	-
Expenses recognised in the statement of profit & loss	30.28	28.59

(vii) Expenses recognised in the other comprehensive income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (gain) / loss on obligation for the year	(1.01)	15.97
Return on plan assets, excluding interest income	9.01	(6.39)
Net expense for the year recognized in OCI	8.00	9.58

(viii) Balance Sheet reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Opening net liability	92.64	103.61
Expenses recognized in statement of profit or loss	30.28	28.59
Expenses recognized in OCI	8.00	9.58
Benefits paid directly by employer	-	-
Employers contribution	(18.40)	(49.14)
Amount recognised in the balance sheet	112.52	92.64
Current Liability	112.52	92.64
Non Current Liability	-	-

(ix) Category of assets

Particulars	As at March 31, 2025	As at March 31, 2024
Cash And Cash Equivalents with the Trust	3.24	3.70
Insurer managed funds	56.45	60.64



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

31 Disclosure under Indian Accounting Standard 19 (Ind AS 19) on employee benefits (Continued)

b) Defined benefit plan: (Continued)

(x) Other details

Particulars	As at March 31, 2025	As at March 31, 2024
Expected contribution in the next year	103.78	99.65
Weighted average duration of the projected benefit obligation	6 years	6 years

(xi) Maturity analysis of the benefits payments - from the fund

Particulars	As at March 31, 2025	As at March 31, 2024
Projected benefits payable in future years from the date of reporting		
1st following year	23.40	25.99
2nd following year	22.15	20.81
3rd following year	23.84	19.56
4th following year	20.79	21.72
5th following year	21.23	18.90
Sum of years 6 to 10	65.00	60.01
Sum of years 11 and above	84.90	74.41

(xii) Sensitivity analysis

Particulars	As at March 31, 2025	As at March 31, 2024
Projected benefit obligation on current assumptions	172.22	156.98
Delta effect of +1% change in the rate of discounting	(8.23)	(6.96)
Delta effect of -1% change in the rate of discounting	9.21	7.75
Delta effect of +1% change in the rate of salary increase	9.13	7.73
Delta effect of -1% change in the rate of salary increase	(8.30)	(7.06)
Delta effect of +1% change in the rate of employee turnover	(0.93)	(0.49)
Delta effect of -1% change in the rate of employee turnover	0.95	0.48

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined benefit obligation as it unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined benefit unit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(xiii) Risk exposure

These defined benefit plans typically expose the Company to actuarial risks as under:

a) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

b) Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

c) Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

d) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued) for the year ended March 31, 2025

(Rs. in millions)

32 Related party disclosures

In compliance with Indian Accounting Standard 24 - "Related Party Disclosures", the required disclosures are given below:

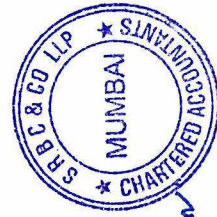
Related party and their relationships

(A) Related party where control exists

Holding Company	Westlife Foodworld Limited
Holding Company Controlled Trust	Westlife ESOS Trust (the 'Trust')

(B) Others - With whom transactions have been taken place during the year:

1) Key Management Personnel	Mr. Amit Jatia, Chairman Mrs. Smita Jatia, Vice-chairman Mr. Akshay Jatia, Director Mr. Sanjay Soni, Whole Time Director Mr. Saurabh Kalra, Managing Director Mr. Saurabh Bhudolia, Chief Financial Officer (resigned w.e.f. close of business hours of May 08, 2024) Mr. Hrushit Shah, Chief Financial Officer (with effect from May 09, 2024) Mrs. Radha Jain, Company Secretary
2) Relatives of key management personnel	Mr. Ayush Jatia, son of Mr. Amit Jatia Mrs. Diya Ayush Jatia, wife of Mr. Ayush Jatia Mrs. Mehak Akshay Jatia, wife of Mr. Akshay Jatia,
3) Non Executive Directors	Mr. Nitin Mhatre Mr. Tarun Katara (resigned w.e.f. close of business hours on 31st July, 2024) Mr. Rajendra Marwala (w.e.f. 10th September, 2024 till close of business hours on 28th February, 2025) Mr. Jyotin Mehta (with effect from March 01, 2025) Ms. Amisha Jain (w.e.f. 01st August, 2024 till close of business hours on 31st August, 2024) Ms. Deepa Bhajekar
4) Enterprises over which Key Management Personnel or their relatives is/are able to exercise significant influence	Ronald McDonald House Charities Foundation India (RMHC India) West Pioneer Properties (India) Pvt Ltd Subhi Ashish Exim Private Limited Horizon Impex Private Limited Admas Industries Private Limited Protenaa Farms Private Limited Prospera Investment Services LLP Protenaa People Resources and Capital Pvt. Ltd Hardcastle Restaurants Private Limited- Gratuity Fund



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

32 Related party disclosures(Continued)

Related party transactions

(a) Transactions and balances with holding company and with enterprises over which key management personnel or their relatives is/are able to exercise significant influence

Particulars	Westlife Foodworld Limited		Westlife ESOS Trust (the 'Trust')		Subh Ashish Exim Pvt Ltd		Horizon Impex Pvt Ltd		Admas Industries Private Limited		West Pioneer Properties (India) Pvt Ltd		Proteinna Farms Private Limited		Proteinna People Resources and Capital Pvt. Ltd.		Hardcastle Restaurants Private Limited- Gratuity Fund		Ronald McDonald House Charities Foundation India (RMHC India)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Rent expense	-	-	-	-	-	-	-	-	-	-	14.07	12.70	-	-	-	-	-	-	-	-
Payment to Gratuity Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.40	49.15	-	-
Common Area Maintenance Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	2.61	2.57	-	-	-	-	-	-	-	-
Interest on Loan given to	-	0.78	-	-	-	3.53	-	3.40	1.64	2.02	2.37	3.08	1.53	-	1.97	-	-	-	-	-
Reimbursement of Expense	-	0.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan given	-	5.07	-	-	-	-	-	-	-	-	-	0.63	-	-	-	-	-	-	-	1.62
Interest on Loan taken from	1.30	-	27.50	30.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan taken from	-	1.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan repaid to	18.15	38.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to	-	10.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Contribution for Share Based Payments from	-	616.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment/ adjustment of loan	53.89	73.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan recovered	-	-	11.39	35.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance included in loans and other assets	-	23.67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance included in borrowings	-	-	212.10	195.99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance included in other financial liability	10.00	28.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance included in other receivable	-	1.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance included in trade payables	-	-	-	-	-	-	-	-	-	-	1.03	0.58	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.44	8.62

(b) Transactions with key management personnel

Particulars	Amit Jafia		Smriti Jafia		Akshay Jafia		Sanjay Soni		Saurabh Kalra		Saurabh Bhudolia		Hrushii Shah		Radha Jain	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Short-term employee benefits	146.73	151.20	147.00	147.00	46.90	46.90	19.88	18.40	16.92	24.07	2.35	18.49	13.51	-	2.40	2.69
Post-employment benefits*	0.75	0.75	0.75	0.75	0.75	0.75	0.56	0.53	0.85	0.82	0.08	0.73	0.55	-	0.12	0.11
Total compensation paid to key management	147.48	151.95	147.75	147.75	47.65	47.65	20.44	18.93	17.77	24.89	2.43	19.23	14.06	-	2.52	2.80
Payable	8.19	12.66	12.31	12.31	3.97	3.97	1.67	1.11	1.49	1.33	-	1.31	1.04	-	0.16	0.17



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued) for the year ended March 31, 2025

(Rs. in millions)

32 Related party disclosure(Continued)

Related party transactions (Continued)

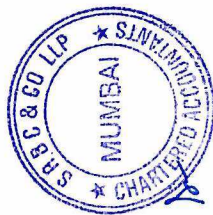
(c) Transactions with Non Executive Directors

Particulars	Nitin Mhatre 2024-25	2023-24	Tarun Kataria 2024-25	2023-24	Deepa Bhajekar 2024-25	2023-24	Rajendra Mariwala 2024-25	2023-24
Director's sitting fees	0.29	0.22	0.15	0.20	0.18	0.14	0.13	-

Terms and conditions

All transactions with these related parties are on arm's length basis and the resulting outstanding balances are to be settled in cash within the credit period allowed as per the policy. None of the balances are secured.

* The post employment benefits include Provident Fund. Remuneration to key management personnel does not include provisions made for gratuity and ESOP as they are determined for the company as a whole.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

33 Contingent liabilities not provided for in the accounts:

Particulars	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as debts		
Sales tax/ VAT, Service Tax, Excise and ESIC related matters (refer note i, ii, iii, iv & v)	107.56	149.54
Goods and Services tax related matter (refer note vi, vii, viii, ix, x & xi)	92.38	96.04
Income tax related matters (refer note xii)	-	425.49
	199.94	671.07

Sales tax / VAT related matters

- During the financial year 2013-14, the Company had received demand notices aggregating to Rs. 97.39 million for the years 2008-09 to 2012-13 issued by the Assistant Commissioner of Commercial Taxes, Tamil Nadu towards Tamil Nadu Value Added Tax. The Company had filed an appeal before the Appellate Deputy Commissioner against the aforesaid demand and had paid Rs. 97.39 million under protest. During the earlier years, the Appellate Deputy Commissioner has dismissed the appeal filed by the Company and the Company had filed an appeal before Tribunal against the order of Appellate Deputy Commissioner which is pending for hearing, the Company has deposited Rs. 97.39 Million under protest. Based on the advice of external counsel, the Company believes it has good ground for the appeal to be decided in its favour. Accordingly, no provision is considered necessary in this matter.
- The Company had received demand of Rs 44.26 million in September 2006 on the ground that operations conducted in the restaurant premises lead to manufacturing of goods. The Company has paid Rs. 1 Million advance under protest. vide order dated 20 July 2017, the Custom, Excise and Service Tax appellate Tribunal (Appellate Tribunal) has remanded the appeal for fresh adjudication with the departmental authorities, which is pending as of date. The Company has a very good case for subsequent period. On identical facts and issue, the Appellate Tribunal has passed two orders on merits in favour of the Company.
- The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. Additionally, there is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Hon. Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

33 Contingent Liabilities not provided for in the accounts: (Continued)

- iv During the Financial Year 2022-23, the Company had received show cause cum demand notice aggregating Rs.20.13 million under Excise Audit 2000 issued by Additional Commissioner. Out of which Company has already paid Rs.6.78 million including interest of Rs.3.51 million towards ineligible input tax credit and Interest payment made to supplier beyond 90 days. The Company had filed reply before The Additional Commissioner for balance amount of Rs.16.86 million. Various points had been raised like Non-payment of service tax on reconciliation of service tax return with financials, Availment of CENVAT credit on invoices issued prior to 1 year, Ineligible CENVAT credit, Interest on payment made to supplier beyond 90 days, Non-payment of service tax on expenses reconciliation and Wrong availment of CENVAT credit. The Company had provided detailed submission, reconciliation and made the payment wherever required.

Additional commissioner CGST & Cess passed an order dated 01 May 2023, allowed input tax credit of Rs. 1.38 million and appropriated 0.80 million against demand. Upon receipt of adjudication order, revised demand now stand at Rs. 17.95 million and accordingly filed an appeal before commissioner of CGST and central excise (Appeal -II). Now commissioner of CGST and central excise (Appeals II) passed an order dated 25 January 2024 stating that appeal is allowed by way of remand back to adjudicating authority.

The Company believes and based on the advice of Consultant, has a very good case on both law and facts for reconciliation, Non-payment of service tax on expenses reconciliation and ineligible CENVAT credit. Accordingly, no provision is considered necessary in this matter.

- v During the Financial Year 2023-24, the Company has received ESIC notice for the financial year 2011-12 amounting to Rs. 7.89 Million. The said notice is pertaining to ESIC payment for the (Pune Location) Sub-code (33310424990011101). It has been alleged by the authorities that ESIC payment for the financial year 2011-12 was not made. Personal hearing before Director (Pune Location) was attended and legal submissions were made stating that all due payments for the above mentioned period by providing with relevant ESIC challans and the bank Statement. The Company made payment under protest of Rs. 7.89 million.

Further during the Financial Year 2024-25, the Company has received another notice for Ahmedabad location sub code-039305003994 amounting Rs.2.28 million and made the payment of the said amount under protest.

The Company believes the case is not tenable and accordingly no provision is considered necessary in this matter.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

33 Contingent Liabilities not provided for in the accounts: (Continued)

Goods and Services tax related matter

- vi During the Financial Year 2024-25, the Company had received an order aggregating demand of Rs. 0.77 million including Penalty under Goods and Services Tax Act, 2017 in the state of Madhya Pradesh, as issued by Superintendent, CGST & Central Excise division V. The issue is pertaining to whether supply of restaurant services alongwith toy named as "Happy meal" to be treated as composite supply or a mixes supply. The Company had filed an appeal before appellate authority and paid Rs. 0.04 Million as pre- deposit.

The Company had provided detailed submission and believes that it has a good legal case to defend the said liability. Accordingly, no provision is considered necessary in this matter.

- vii During the Financial Year 2024-25, the Company had received order aggregating demand of Rs. 2.32 million including interest and Penalty under Goods and Services Tax Act, 2017 in the state of Kerala, as issued by State tax officer located in Edappally. The issue is pertaining to claim of ITC for payment of output services post 15th November 2017. The Company has filed appeal before appellate authority and paid Rs. 0.72 Million as pre- deposit.

The Company has provided detailed submission and believes that it has a good case on facts to defend the said liability. Accordingly, no provision is considered necessary in this matter.

- viii During the Financial Year 2023-24, in the state of Telangana, the Company has received a show cause notice amounting to Rs 0.68 million under GST Act, 2017. Out of which Company has already paid Rs.0.57 million including interest of Rs.0.23 million towards irregular ITC. The Company filed a reply before the superintendent of central tax; however an unfavourable order for balance amount of Rs.0.34 million was passed through an order dated 30 December 2023. Against the said order, Company had filed an appeal before Joint commissioner (Appeals). However in Financial year 2024-25, Company had filed an application for amnesty for waiver of interest and penalty by making payment of 100% disputed tax amounting to Rs 0.27 million.

- ix During the Financial Year 2023-24, the Company has received show cause notice in the state of Chhatisgarh amounting to Rs 7.27 million under GST Act, 2017. Appropriate reply was filed by the Company basis which demand of Rs 6.71 million was dropped and balance demand of Rs 0.56 million was not accepted by department, through an order dated 26 December 2023. Upon receipt of state tax order, revised demand now stands at Rs. 0.56 million for which Company has filed an appeal before Joint Commissioner (Appeal). The Company has paid Rs. 0.03 Million as pre- deposit.

During the Financial Year 2024-25, the Company had received a partly favourable order from Joint Commisisoner (Appeal) with a final demand of RS 0.01 million including interest and penalty. Further the Company paid the said demand by DRC-03 on 11 March 2025. Accordingly, the said case is closed.

- x The Company had received notice for intimation of investigation under Rule 129 of the Central Goods and Services Tax Rules, 2017 from the Directorate General of Anti-Profitteering (DGAP). The subject-matter of the investigation was after the rate of GST on the services provided by the Company was reduced with effect from 15.11.2017, whether the Company passed on the benefit of such reduction to the recipients of services in terms of Section 171 of Central Goods and Services Tax Act, 2017. The said investigation is for the period of 15th November 2017 to 31st January 2018. The Company had objected to the invocation of anti-profitteering provisions under the GST statute on both constitutional grounds and factual grounds, only some of which are listed below:

The constitutional grounds:

1. Section 171 and the related delegated legislation is in abrogation of Article 14 of the Constitution of India as it does not lay down any guidance for The National Anti-Profitteering Authority (NAA) for exercise of statutory power and that sub-delegation to NAA to notify procedure and methodology is patently bad in law.
2. The statutory scheme is without constitutional sanction as it is a price control legislation and therefore, not considering costs other tax patently offends Article 19(1)(g) of the Constitution of India.
3. The composition of the NAA is bad in law and violates Article 14 of the Constitution of India.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

33 Contingent Liabilities not provided for in the accounts: (Continued)

The factual grounds:

1. The proceedings are bad in law as the period for completion of the investigation was unilaterally enhanced under Rule 129 sans an opportunity of hearing to the Company and constitutes a violation of the principles of natural justice.
2. The impugned order has been passed by the NAA after the time period as contemplated under Rule 133 and hence proceedings are bad in law.
3. No methodology being notified under Rule 126 (either general or specific as raised by the Company) greatly prejudices the Company as an effective defence cannot be mounted since the relevant law is unknown, rendering the proceedings as opaque and manifestly arbitrary. This is further evident as different standards have been followed for similarly-placed businesses.
4. In the absence of a specified methodology, all possible manners of computation are equally valid, and preference cannot be granted to one over the other. The Company has shown through three different means of computation that the cost of Input Tax Credit ("ITC") is 10% - 12.24% while the average incremental revenue is 9.43%. Therefore, the only possible conclusion is that the Company has not indulged in profiteering, but rather passed on benefits more than what was required under law. If one is to follow the methodology as held by the NAA, the cost of ITC on aerated beverages is 40%, but price increase can only be 9.11%. This is absurd, patently illogical and unsustainable in law.
5. The entire proceedings are illegal as the scope of the investigation is different in the reference by the Standing Committee and the Directorate General of Anti-Profitteering ("DGAP"). Hence, the investigation is illegal as jurisdiction of DGAP is based on reference of Standing Committee only.
6. The order traverses beyond the scope of Section 171. Under this provision, only benefit to the extent of tax can be demanded and nothing in excess thereof. Further, such amount can only be demanded from a registered person, which in the present case is the GSTIN of the Company in Maharashtra. Both these principles have been ignored entirely in the order rendering the entire exercise illegal.

The National Anti-Profitteering Authority (NAA) had heard the Company on the above grounds, and had not accepted the contentions of the Company, and passed an order as follows:

- (i) confirmed the demand of Rs. 74.93 million,
- (ii) given direction to the Company reduce prices for the subsequent period.
- (iii) The said order has been challenged by way of a writ petition no. 469 of 2021 filed with the High Court of Bombay. In the first hearing before the High Court of Bombay, liberty had been granted to the Company to approach the court if the situation so arises, and matter has been adjourned. Writ petition no. 469 of 2021 has one of the ground of validity of section 171 of CGST Act, 2017, where as the Company has not pressed the same during proceeding and hence order passed by Delhi high court for upheld of section 171 of CGST Act, 2017 has no adverse impact on the Company. Hearing is yet to be concluded, pending disposal of the writ petition and based on the advice of external counsel, the Company believes that Company has a very good case on both law and facts. Accordingly, no provision is considered necessary in this matter.
- (iv) During the Financial Year 2024-25, captioned matter was listed for hearing thereby admitting our petition before honourable high court of bombay and provided 100% interim relief in the said matter.

- xi During the year Financial Year 2021-2022, the Company received show cause notice under section 74 read with section 122 of the CGST Act, 2017 from Joint Commissioner CGST & C, Ex Mumbai Central alleging that the Company has wrongly availed credit of amount of EC or SHEC amounting Rs. 20.21 million.

In respect of the above SCN the Company has paid tax amount approx. Rs. 14 million, interest amount approx. Rs.11 million and penalty amount approx. Rs. 3 million against the demand amount under protest and filed reply stating that the Company has a vested right to avail benefit of the unutilized amount of EC or SHEC.

Further, the Company had received partial positive order from Joint Commissioner during the Financial Year 2024-25 reducing total demand by Rs. 6.19 million and for the balance amount of Rs 14.02 million, the Company had filed an appeal before appellate authority.

Factual Grounds

1. Charging Section i.e. Section 66 of the Service Tax Law provides that service tax at the rate of 12% should be levied on the value of taxable service. Further, Section 91 of Finance Act, 2004 provides that Education Cess ("EC") at the rate of 2% and Section 136 of the Finance Act, 2007 provides that Secondary Higher Education Cess ("SHEC") at the rate of 1% should be levied respectively on the service tax amount. Effectively, service tax rate was 12.36% on the value of services. It further submitted that EC and SHEC earlier levied on provision of services were withdrawn from 1 June 2015 and were subsumed and included in the service tax. As these cesses were subsumed in the service tax levy, the amount lying in the credit towards EC and SHEC should be available as CENVAT credit of service tax. In other words, this is not a case of abolition of EC and SHEC but the cesses were added and became part of the excise duty or service tax.

2. Reliance is placed on the dictionary definition of the term "subsumed", which means to include, absorb in something else or incorporated into something larger or more general. Therefore, unutilised EC and SHEC should be allowed to be utilized for payment of service tax on taxable service, for otherwise the action would be clearly arbitrary, capricious and tantamount to lapsing of credit accrued on the input, though higher excise duty or service tax was payable on the output. The Company has a vested right to claim benefit of utilization of the unutilised credit.

3. The Company further submits that it claims a vested right to avail benefit of the unutilized amount of EC or SHEC credit, which was available and had not been set off as on 1 June 2015 for payment of tax on taxable services. The contention of the Company is that EC and SHEC were subsumed in the Central Excise Duty, is substantiated by the fact that the general rate of which was increased from 12% to 12.5%, and Service tax, which was increased from 12.36% to 14%.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

33 Contingent Liabilities not provided for in the accounts: (Continued)

4. The Company further places reliance upon the Budget Speech of the Finance Minister and the memorandum explaining provisions of Finance Bill, 2015, which reads:

As part of the movement towards GST, I propose to subsume the Education Cess and the Secondary and Higher Education Cess in Central Excise duty. In effect, the general rate of Central Excise Duty of 12.36% including the cesses is being rounded off to 12.5%.

It is proposed to increase the present rate of Service Tax plus education cesses from 12.36% to a consolidated rate of 14%.

5. Reference is also made to the Explanation given by the Joint Secretary, Tax Research Unit, Ministry of Finance, Government of India, vide letter F.No.334/5/2015-TRU dated 28 February 2015, which reads:

6. "The rate of Service Tax is being increased from 12% plus Education Cesses to 14%. The 'Education Cess' and 'Secondary and Higher Education Cess' shall be subsumed in the revised rate of Service Tax. Thus, the effective increase in Service Tax rate will be from the existing rate of 12.36% (inclusive of cesses) to 14%, subsuming the cesses"

7. The Instructions issued by the CBEC dated 7 December 2015, reveal a policy decision, not to allow utilization of accumulated credit of EC and SHEC, but nowhere states that the credit has lapsed. The Company submits that the Board only stated that the cesses have been phased out and since there is no new liability to pay these cesses, no vested right can be said to exist in relation to the past accumulated credit in the light of Rule 3(7)(b) of CENVAT Credit Rules ('CCR') which stipulates that CENVAT Credit shall be utilised only as against payment of specified liability. The Board could well have stated even at that juncture that the credit lapsed but did not choose to do so. Further there has been no instructions/notification/circular from the Board till date to state that the accumulated credit has lapsed. Thus, though there were a good many occasion that presented themselves to the Board to clearly stipulate that the accumulated credit had lapsed, this was not done. The Company had provided detailed submission before office of the commissioner of CGST & Central Excise and made the payment wherever required. The hearing is yet to be concluded and the Company believes that it has a very good case on both law and facts. Accordingly, no provision is considered necessary in this matter.

Income tax related matters

xii Pursuant to search and seizure conducted in 2018, the income-tax authorities issued an Order in July 2021 under Section 153A of the Income-Tax Act, 1961 directing the Company to file revised returns for 7 years under block assessment. Block assessment for the period A.Y. 2013-14 to A.Y. 2019-20 was completed during the year and the tax authorities had raised a demand amounting to Rs. 477.53 Million. There were apparent errors in determining the tax demand of Rs.477.53 Million for which the Company has filed rectification applications in July 2021. The rectification orders were passed in February 2022. However, while determining the revised demand as per the rectification order, multiple errors were made in the Tax Computation Sheet resulting in a tax demand of Rs. 425.49 Million against original demand of Rs. 477.53 Million. The Company has approached the income tax authorities to revise the rectification order. Upon the rectification being given effect to by the income-tax authorities, the possible tax demand shall stand rectified from Rs. 425.49 Million to Rs.75.45 Million. The Company has also filed an appeal in October 2021 before the Commissioner of Income Tax (Appeals) against the original tax demand of Rs. 477.53 Million. In the month of January 2025, the Company had received the favourable order from Income Tax Appellate Tribunal Mumbai Bench E.

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. The Company 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 a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the yearend, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iv) Regarding the amounts disclosed above, it is not practicable to disclose information on the possibility of any reimbursements as it is determinable only on the occurrence of uncertain future events.

34 Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 240.58 million (March 31, 2024: Rs. 207.05 million).

35 Service tax on conducting charges

The Company had, in accordance with legal advice, filed a petition before the Bombay High Court challenging the amendment in law pertaining to levy of service tax on renting of immovable property retrospectively from June 1, 2007. The Hon'ble High Court dismissed the petition and upheld the constitutional validity of the amendment.

Against the Judgement, the Retailers Association of India (RAI) (of which the Company is a member) had, on behalf of its members, preferred an appeal in the Hon'ble Supreme Court of India (SCI). The said appeal is pending for disposal by the SCI. However, by an order ("the Order"), the SCI issued, inter alia, the following directions:

- 1) All members of RAI to deposit 50% of the arrears due for the period 1st June, 2007 through 30th September, 2011 with the concerned department in three equated instalments on or before 1st November, 2011, 1st January, 2012 and 1st March, 2012;
- 2) For the balance 50% of the arrears, all the members of RAI are:
 - (a) To file solvent surety to the satisfaction of the jurisdictional Commissioners;
 - (b) To file affidavits in the SCI, within four weeks from the date of the Order, undertaking to pay the balance arrears of service tax, stayed in terms of the Order, as may be directed by the SCI at the time of final disposal of the appeal;
- 3) The successful party in the appeal to be entitled to interest on the amount stayed by the SCI at such rate as may be directed by the SCI at the time of final disposal of the appeal.

For the service tax due from 1st October, 2011, no relief in terms of injunction was granted by the SCI.

In respect of above SCI directions, out of total demand of Rs.14.84 million, the Company had deposited 50% of the disputed demand amounting to Rs.7.42 million, and for the balance, 50% provided solvent surety. The amount under dispute has been fully provided in

The Company has commenced payment of service tax with effect from 1st October, 2011 to those parties to whom the Company has contractually agreed to pay service tax. The hearing is yet to be concluded from Supreme Court of India.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

36 Segment reporting:

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.

The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure.

No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended 31 March 2025 or 31 March 2024.

37 Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006:

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year:		
- Principal	94.41	31.80
- Interest	-	-
Amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprises Development Act, 2006 along with amounts of payment made to supplier beyond the appointed day during accounting year.	-	-
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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

* Based on confirmation / information available with the Company

38 Employee Stock Option Scheme

- a) Westlife Foodworld Limited ("WFL" or "Holding Company") provides share based payment scheme (the 'Scheme') which covers certain eligible employees of the Company. According to the Scheme, the employees selected by the Nomination and Remuneration Committee from time to time would be entitled to options, subject to satisfaction of the prescribed vesting conditions. Westlife ESOS Trust (the 'Trust') has been established by holding company to facilitate the scheme.

ESOS Scheme 2021

The shareholders of WFL at its meeting held on September 16, 2021 by way of special resolution, formulated the "The Westlife Development Limited Employees Stock Option Scheme 2021" (referred to as 'the Company's 2021 ESOS Scheme'). ESOP is the primary arrangement under which shared plan service incentive are provided to certain employees of it's subsidiary.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

38 Employee Stock Option Scheme (Continued)

b) The details of the activity under the scheme are as

Particulars	March 31, 2025		March 31, 2024	
	The ESOS Trust Scheme 2021 (No of options)	Weighted average exercise price (Rs.)	The ESOS Trust Scheme 2021 (No of options)	Weighted average exercise price
Outstanding at the beginning of the year	6,03,611	577.57	3,72,611	410.64
Granted during the year	1,44,000	718.90	2,60,500	818.88
Forfeited / lapsed during the year	42,750	774.81	27,500	610.28
Exercised during the year	18,040	473.25	2,000	500.00
Expired during the year	-	-	-	-
Outstanding at the end of the year	6,86,821	597.54	6,03,611	577.57
Exercisable at the end of the year	2,61,696	474.81	1,97,361	434.71

For options exercised during the year, the weighted average share price at the exercise date was Rs. 837.45 per share (March 31, 2024: Rs. 867.74 per share).

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2025 is 6.38 years (March 31, 2024: 6.87 years). The range of exercise prices for options outstanding at the end of the year was Rs. 2/- to Rs. 897.80/- (March 31, 2024: Rs.2/- to Rs. 897.80/-)

c) Effect of employee share based payment plans on the Statement of Profit and Loss and on its financial position.

Particulars	March 31, 2025	March 31, 2024
Total employee compensation cost pertaining to share option plans	53.89	72.18



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

38 Employee Stock Option Scheme (Continued)

- d) Options granted but not eligible for exercise at end of the year is 4,25,125 (March 31, 2024: 4,06,250)
- e) The fair values are measured based on the Black-Scholes formula. Expected volatility, an input in this formula, is estimated by considering historic average share price volatility. The inputs used in the measurement of grant-date fair values are as follows:

Particulars	March 31, 2025 The ESOS Trust Scheme 2021	March 31, 2024 The ESOS Trust Scheme 2021
Weighted average fair value (Rs)	-	-
Dividend yield (%)	-	0.42
Expected volatility (%)	37.06	38.57
Risk-free interest rate (%)	6.61	7.21
Weighted average share price (Rs)	720.53	818.88
Exercise Price (Rs)	718.90	818.88
Expected life of options granted in years	5.72	6.08

- f) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including:

Sr.	Particulars	The ESOS Trust Scheme 2021
i)	Date of shareholders' approval	September 06, 2021
ii)	Total number of options approved under ESOS	77,33,433
iii)	Vesting requirements	The lock in period between grant and vesting is twelve months and there is no lock in period after the exercise.
iv)	Exercise price or pricing formula	Rs. 2/-, Rs. 457.25/-, Rs. 500/-, Rs. 698.50/-, Rs. 701.20/-, Rs. 708.35/-, Rs. 807.90/-, RS 860.20/-, Rs. 897.80/-
v)	Maximum term of options granted	The vesting of Stock Options may be spread over a period of a certain number of years after the one year from the date of Grant, as may be decided by the Nomination and Remuneration Committee ('the Committee').
vi)	Source of shares (primary, secondary or combination)	Secondary Market
vii)	Variation in terms of options	No variation in terms of options



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

39 Earnings per share

Profit attributable to equity shareholders (basic and diluted)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit for the year attributable to equity holders	112.58	717.07
Number of equity shares at the beginning of the year (in nos) (refer note 13)	8,73,814	8,73,814
Number of equity shares considered for calculation of basic and diluted earning per share (in nos)	8,73,814	8,73,814
Earnings per share (Rs.)		
- Basic and Diluted	128.84	820.62

Note: No dilutive shares outstanding as at balance sheet date

- 40 On 14 May 2025 the board of directors recommended a final dividend of Rs. 165.00 per equity share be paid to shareholders for financial year 2024-25, which is subject to approval by the shareholders at the Annual General Meeting to be held on 20 June 2025.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

41 Disclosure on Ind-AS 116

Leases

Company as lessee

The Company's leased assets primarily consist of Stores, Office premises, Leasehold Land and Godowns. Leases of office premises and stores generally have lease term between 10 to 30 years. The Company has applied low value exemption for office equipments and accordingly these are excluded from Ind AS 116. The leases include non cancellable periods and renewable option at the discretion of lessee for determination of lease term where the Company is certain to exercise such option.

i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Category of ROU asset	Buildings	Leasehold Land	Total
As at 1st April, 2023	8,687.33	70.29	8,757.62
Additions	1,547.17	-	1,547.17
Modification	(38.53)	-	(38.53)
Termination	(0.88)	-	(0.88)
Depreciation expenses	(658.40)	(1.14)	(659.54)
As at March 31, 2024	9,536.69	69.15	9,605.84

Category of ROU asset	Buildings	Leasehold Land	Total
As at 1st April, 2024	9,536.69	69.15	9,605.84
Additions	2,036.62	-	2,036.62
Modification	186.59	-	186.59
Termination	-	-	-
Depreciation expenses	(750.14)	(1.14)	(751.28)
As at March 31, 2025	11,009.76	68.01	11,077.77

ii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at March 31, 2024
As at April 1, 2023	9,960.03
Additions	1,491.26
Lease modification other than rent concession	(38.53)
Accretion of interest	900.91
Payments	(1,078.70)
As at March 31, 2024	11,234.97
Current	1,259.82
Non-current	9,975.15

Particulars	As at March 31, 2025
As at April 1, 2024	11,234.97
Additions	1,946.15
Lease modification other than rent concession	184.98
Accretion of interest	1,045.91
Payments	(1,261.19)
As at March 31, 2025	13,150.82
Current	1,474.36
Non-current	11,676.46



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

41 Disclosure on Ind-AS 116 (Continued)

Leases (Continued)

iii) The following are the amounts recognised in profit or loss:

Particulars	March 31, 2025	March 31, 2024
Depreciation expense of right-of-use assets	751.28	659.54
Interest expense on lease liabilities	1,045.91	900.91
Expense relating to short-term leases	29.02	56.37
Variable lease payments*	1,115.99	1,033.82

* Variable lease payments not recognised in the related lease liability are expensed as incurred and include rentals based on revenue from stores.

iv) The undiscounted maturity analysis of lease liabilities at 31 March 2025 and 31 March 2024 is as follows:

Particulars	March 31, 2025	March 31, 2024
Less than one year	1,421.20	1,213.07
One to five years	6,001.42	5,034.16
More than five years	20,141.19	16,818.28
Total	27,563.81	23,065.51

Company as lessor

The Company is an intermediate lessor for certain stores where it has subleased to third parties. The Company has not transferred substantially all the risks and rewards relating to the right of use asset of the head lease to the sub-lessee where it is an intermediate lessor and hence all leases are operating leases.

Rental income on stores given on sub lease to third parties was Rs. 3.87 million for the year ended March 31, 2025 (March 31, 2024: Rs.5.36 million)



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

42 Disclosure required under Section 186 of the Companies Act 2013

Included in loans and advances are certain loans the particulars of which are disclosed below as required under Section 186 of the Companies Act, 2013.

Unsecured Loans (refer note 6)

Particulars	March 31, 2025 Outstanding Amount	March 31, 2025 Maximum Amount outstanding during the year	March 31, 2024 Outstanding Amount	March 31, 2024 Maximum Amount outstanding during the year
Ekam Ultra Farms Private Limited *	-	-	-	25.00
(Rs 25 million due in May, 2023)				
(Interest @ 14.0% pa)				
Art Rubber Industries Limited*	-	-	-	50.00
(Rs 50 million due in December, 2023)				
(Interest @ 8.5% pa)				
Westlife ESOS Trust	212.10	217.10	195.99	231.00
Westlife Foodworld Limited	-	-	-	23.67
(Interest @ 8.0% pa)				

* represent inter corporate deposit placed for earning interest income.

43 As per amendment in Schedule III of Companies Act 2013, following are additional notes to accounts :

- a) Loans granted to promoters, directors, KMP and other related parties either severally or jointly that are repayable on demand (refer note 6):

Type of Borrower	Amount of loan outstanding as on March 31, 2025	% to total loans outstanding as on March 31, 2025
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	212.10	97%

Type of Borrower	Amount of loan outstanding as on March 31, 2024	% to total loans outstanding as on March 31, 2024
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	195.99	97%

Note:

- There are no advances given in the nature of loan.
- There are no loans granted without specifying any terms or period of repayment

b) Disclosure Of Transactions With Struck Off Companies

The Company does not have any material transactions with struck off companies during the current year and no material transactions in the previous year.

c) No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- Crypto Currency or Virtual Currency
- Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- Registration of charges or satisfaction with Registrar of Companies
- Transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- Relating to borrowed funds:
 - Willful defaulter
 - Utilisation of borrowed funds
 - Discrepancy in utilization of borrowings



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

43 As per amendment in Schedule III of Companies Act 2013, following are additional notes to accounts (Continued) :

- d) No funds 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(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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 to or on behalf of the Ultimate Beneficiaries. The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall 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 from or on behalf of the Ultimate Beneficiaries.

44 Ratios

	March 31, 2025	March 31, 2024	Variance	Remarks
Current ratio (in times)	0.33	0.29	15%	Refer note 1
Debt equity ratio (in times)	0.45	0.42	7%	Refer note 1
Debt service coverage ratio (in times)	1.59	1.70	-7%	Refer note 1
Return on equity ratio (in %)	2%	13%	-85%	Refer note 2
Inventory turnover ratio (in times)	10.35	10.55	-2%	Refer note 1
Trade receivable turnover ratio (in times)	137.16	170.63	-20%	Refer note 1
Trade payables turnover ratio (in times)	3.51	3.61	-3%	Refer note 1
Net capital turnover ratio (in times)	(4.63)	(4.80)	-3%	Refer note 1
Net profit ratio (in %)	0%	3%	-85%	Refer note 2
Return on capital employed (in %)	8%	26%	-70%	Refer note 2
Return on investment (in %)	8%	9%	-11%	Refer note 1

Notes:

- There is no significant change (25% or more) in FY 2024-25 in comparison to FY 2023-24.
- The variance is primarily on account of decline in Company's performance in FY 2024-25 compare to FY 2023-24.

Formulas for computation of above ratios are as follows:

Particulars	Formula
Current ratio	Current assets / Current liabilities
Debt equity ratio	Total debt / Shareholders equity
Debt service coverage ratio	(Net profit after taxes + Non-cash operating expenses like depreciation, amortization + Interest + Other adjustment like loss on sale of fixed assets) / Interest + Lease payments + Principal repayments)
Return on equity ratio	Net Profit after taxes / Average Shareholder Equity
Inventory turnover ratio	Cost of materials consumed / Average Inventory
Trade receivable turnover ratio	Revenue from operations / Average Account receivables
Trade payables turnover ratio	(Net credit + Purchases) / Average Trade payables
Net capital turnover ratio	Revenue from operations / Working capital
Net profit ratio	Net profit after tax / Revenue from operations
Return on capital employed	Earnings before interest and tax / (Tangible Net worth + Total debt)
Return on investment	[Interest Income on fixed deposits + Profit / (loss) on sale of investments + Profit (loss) on fair valuation of investments carried at FVTPL + Interest income on bonds] / [Investments + Deposits with banks]



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

- 45** A) With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.
- In respect of below applications, the status of compliance is as follows:

Requirement's u/s 143(3) of Companies Act, 2013	Accounting Applications/ Software					Oracle Netsuite
	Microsoft Dynamics 365	POS	McDelivery Services	Allsec Human Resource Management System (HRMS)	Fiorano	
Servers physically located in India	Yes	Yes	Yes	Yes	Yes	No
Backup maintained in India on daily basis and accessible in India at all times	Yes	Yes	Yes	Yes	Yes	No

- B)** The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except that audit trail feature is not enabled at the database level for three of the accounting softwares i.e. Fiorano, Microsoft Dynamics 365 & McDelivery Services. Further audit trail feature has not been tampered with in respect of accounting software's where the audit trail has been enabled. The Service Organisation Controls report available with the Company with regard to its one software i.e. Oracle Netsuite does not state whether audit trail feature for the software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective year.



Hardcastle Restaurants Private Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Rs. in millions)

- 46 The Company has evaluated subsequent events from the balance sheet date till May 14, 2025, the date at which the financial statements were available to be issued, and determined that there are no items to report.
- 47 Previous year figures has been re-grouped or reclassified, wherever necessary, to conform with the current year's grouping or classification. The same does not have any material impact on the financial statement.

For **S R B C & Co LLP**

Chartered Accountants

ICAI Firm's Registration No: 324982E/E300003



per Ravi Bansal

Partner

Membership No: 049365

Place: Mumbai

Date: May 14, 2025



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



Saurabh Kalra

Managing Director

DIN: 10057845



Hrushit Shah

Chief Financial Officer

Place: Mumbai

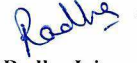
Date: May 14, 2025



Sanjay Kumar Soni

Whole Time Director

DIN: 01048644



Radha Jain

Company Secretary

Membership No: A28006