

To,

**National Stock Exchange of India Limited
Manager-Listing
Exchange Plaza,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051
Tel No. 022-2659 8237/38
2039/37/3121
takeover@nse.co.in**

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

Dear Sir/s,

09th November, 2020

Regulation 30 of SEBI (LODR) Regulations, 2015: Outcome of Board Meeting for Consideration of Financial Results of its Subsidiary, Coffee Day Global Limited for the Quarter/Year ended 31st March, 2020

This is to inform you at the meeting held today, the Board of Directors of our Company have noted the Consolidated Audited financials results of material subsidiary Coffee Day Global Limited for the quarter/year ended March 2020, approved by the Board of Directors of Coffee Day Global Limited in its Board Meeting held on 09th November 2020 and the same is uploaded herewith.

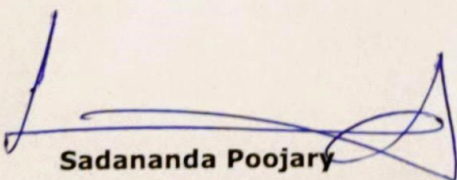
Enclosures:

- A copy of the "Financial Highlights" of Coffee Day Global Limited is attached herewith.
- A copy of the statement of Consolidated Audited financial results of material subsidiary, Coffee Day Global Limited along with the Independent Auditors Report is attached herewith.

Kindly take the same on record.

Thanking you,
Yours Truly,

For Coffee Day Enterprises Limited


**Sadananda Poojary
Company Secretary**

Subsidiary

Coffee Day Global Limited- Coffee Business

Financial Highlights

<u>Q4 - FY 2020</u>	<u>12 Months -FY 2020</u>
Retail Net Revenue at Rs. 272 crores; down 22% YoY	Retail Net Revenue at Rs. 1,270 crores; down 12% YoY
Retail EBIDTA at Rs. 43 crores; down 48% YoY	Retail EBIDTA at Rs. 246 crores; down 27%
Net profit after tax at Rs. -80 crores	Net profit after tax at Rs. -319 crores

Note: figures has been rounded off for the purpose of reporting, previous quarter figures are regrouped/reclassified to match with current quarter & Q4 numbers are after the impact IND AS 116.

Details of Financial performance

Particulars	Rs. In Crores						
	Q4-FY 20	Q3-FY 20	Q4-FY 19	Q4 YOY Growth %	12M-FY20	12M-FY19	12M YOY Growth %
<u>Net Operational Revenue</u>	365	341	491	-26%	1,509	1,795	-16%
Retail	272	327	348	-22%	1,270	1,449	-12%
Procurement, Production & Export	93	14	142	-35%	238	346	-31%
<u>EBIDTA</u>	35	61	86	-60%	212	341	-38%
Retail	43	65	83	-48%	246	334	-27%
Procurement, Production & Export	(9)	(4)	3	-354%	(33)	7	-610%
Profit after Tax (PAT) *	(80)	(75)	10	-939%	(319)	41	-885%

Particulars	Q4-FY 20	Q3-FY 20	Q4-FY 19
Average Sales Per Day (ASPD)	14,470	15,648	15,926
Same Store Sales Growth (SSSG)	-20.92%	-13.36%	5.48%

	12M-FY20	12M-FY19
	15,395	15,815
	-10.33%	9.55%

Particulars	Q4-FY 20	Q3-FY 20	Q4-FY 19
Café outlets count	1,192	1,331	1,752
Vending Machines count	58,697	59,439	56,799

* EBIDTA for Q4 & 12M-FY20 excludes one time non recurring provisions .





**Independent Auditor's Report on Consolidated Annual Financial Results of
M/s.Coffee Day Global Limited pursuant to Regulation 33 of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

To
The Board of Directors of
M/s.COFFEE DAY GLOBAL LIMITED

Report on the Audit of the Consolidated Financial Results

Disclaimer of Opinion

We were engaged to audit the Consolidated Financial Results ("the Statement") of M/s. COFFEE DAY GLOBAL LIMITED, ("the Holding Company"), its subsidiaries and a joint ventures as listed in note 1 to the Statement (collectively referred to as "the Group") for the quarter and year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

We do not express an opinion on aforesaid Consolidated Financial Results of the group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Consolidated Financial Results.

Basis for Disclaimer of Opinion

We draw attention to Note No.5 of the Consolidated Financial Results which describe the details in respect of amounts due from M/s.Mysore Amalgamated Coffee Estates Limited (MACEL) to the extent of Rs.1,208.30 Crores (including due to joint ventures). As explained to us the company is in the process of recovery of the dues from related parties and taken necessary action as stated in the said notes. In the absence of any conclusive evidence demonstrated by the company for recoverability of the same, we are unable to comment on the recoverability, requirement or otherwise of provision on those receivables and consequential impact on these Statements.

Board of Director's Responsibility for the Statement

These Consolidated Financial Results have been prepared from consolidated annual audited financial statements and reviewed quarterly consolidated financial results upto the end of the third quarter which are the responsibility of the Company's management. Those consolidated annual audited financial statements have been prepared in accordance with Ind AS prescribed under the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.





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The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Results in term of the requirements of the Companies Act, 2013 and Listing Regulations, that give a true and fair view of the consolidated net profit / (loss) (including Other Comprehensive Income) and other consolidated financial information of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Statement

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

We are independent of the entity in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the ethical requirements as prescribed under the laws and regulations applicable to the entity.



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Other Matter


a) i) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs.5.80 Crores as at 31st March, 2020, total revenues of Rs.1.48 Crores, total comprehensive loss of Rs.0.07 Crores and net cash inflows amounting to Rs.4.88 Crores for the year ended on that date, as considered in the Consolidated Financial Results. We further did not audit the financial statement of one Joint Venture whose share of loss of Rs.Nil considered in the Consolidated Financial Results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries & joint venture is based solely on the reports of the other auditors.

ii) We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs.93.84 Crores as at 31st March, 2020, total revenues of Rs.12.07 Crores, total comprehensive loss of Rs.5.67 Crores and net cash outflows amounting to Rs.0.14 Crores for the year ended on that date, as considered in the Consolidated Financial Results. We further did not audit the financial statement of one Joint Venture (including its subsidiary) whose share of loss of Rs.5.10 crores, considered in the Consolidated Financial Results. These financial statements have been certified by the management. Our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries & joint ventures is based on the management certified financial statements.

Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and management certified financial statements.

b) Attention is drawn to the fact that the figures for the quarter ended 31 March 2020 and the corresponding quarter ended in the previous year as reported in these Consolidated Financial Results are the balancing figures between consolidated audited figures in respect of the full financial year and the published year to date consolidated figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

For ASRMP & CO,
Chartered Accountants
Firm Registration No.018350S


CA SUNDARESHA A S
Partner
Membership No.019728
UDIN : 20019728AAAABT1743



Place: Bangalore
Date :09.11.2020

Part I: Statement of consolidated financial results for the quarter and year ended 31 March 2020 (Rupees in Crores except per share data)

Particulars	Quarter ended			Year ended	
	31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
	Audited *	Unaudited	Audited *	Audited	Audited
1 Income					
a) Revenue from operations	365.33	340.75	490.73	1,508.72	1,795.35
b) Other income	17.97	14.20	14.92	49.64	34.95
Total income (a+b)	383.30	354.95	505.64	1,558.36	1,830.30
2 Expenses					
a) Cost of materials consumed	208.13	135.01	243.61	701.55	764.73
b) Changes in inventories of finished goods and work-in-progress	(2.97)	3.58	(11.49)	16.50	(4.30)
c) Employee benefits expenses	44.41	55.85	64.60	224.89	250.36
d) Finance costs	68.39	49.42	24.54	212.39	80.89
e) Depreciation and amortization expense	91.99	82.61	46.20	336.09	188.20
f) Other expenses #	196.50	99.57	122.95	525.40	478.76
Total expenses (a+b+c+d+e+f)	606.45	426.06	490.42	2,016.82	1,758.64
3 Profit before share of profit from joint ventures accounted using equity method, exceptional items and tax (1-2)	(223.15)	(71.10)	15.22	(458.46)	71.67
4 Share of profit/(loss) from joint venture accounted using equity method	(1.77)	(1.50)	-	(5.10)	-
5 Profit before tax	(224.92)	(72.60)	15.22	(463.56)	71.67
6 Tax expense	(144.86)	-	4.39	(149.92)	24.37
7 Profit for the period from continuing operations (5-6)	(80.06)	(72.60)	10.83	(313.64)	47.30
8 Profit / (Loss) from discontinued operations	(0.01)	(1.95)	(1.27)	(5.36)	(6.68)
9 Profit for the period (7+8)	(80.06)	(74.55)	9.56	(319.00)	40.62
Attributable to the owners of the Company	(80.06)	(74.55)	9.56	(319.00)	40.62
Other comprehensive income					
Items that will not be reclassified to profit or loss, net of tax	1.34	-	0.23	1.34	(0.06)
Items that will be reclassified to profit or loss, net of tax	(0.17)	(0.10)	(0.51)	(0.26)	0.83
10 Other comprehensive income for the period, net of tax	1.17	(0.10)	(0.28)	1.07	0.77
Attributable to: Owners of the Company	1.17	(0.10)	(0.28)	1.07	0.77
11 Total comprehensive income for the period (9+10)	(78.89)	(74.64)	9.28	(317.92)	41.39
Attributable to: Owners of the Company	(78.89)	(74.64)	9.28	(317.92)	41.39
12 Paid-up equity share capital (face value of Re. 1 each)	19.15	19.15	19.09	19.15	19.09
13 Reserves excluding revaluation reserves	945.92	-	1,356.70	945.92	1,356.70
14 Earnings per equity share for continuing operations (not annualised)					
Basic (Rs)	(4.18)	(3.80)	0.58	(16.39)	2.53
Diluted (Rs)	(4.18)	(3.80)	0.58	(16.39)	2.53

* Refer Note no. 4

For details of non recurring expenses Refer Note no. 10
See accompanying notes to the financial results



Consolidated statement of assets and liabilities as at 31st March 2020		(Rupees In Crores)	
Particulars	As at		
	31 March 2020	31 March 2019	
	Audited	Audited	
ASSETS			
Non-current assets			
Property, plant and equipment	854.69	1,063.14	
Capital work-in-progress	5.49	37.98	
Right-of-use assets	491.56	-	
Goodwill	-	17.90	
Intangible assets	8.31	15.11	
Investments	19.86	1.54	
Financial assets			
- Loans	71.30	86.30	
- Other financial assets	0.56	0.02	
Deferred tax asset (net)	218.51	14.86	
Other tax assets	0.74	0.71	
Other assets	17.57	207.42	
Total non-current assets	1,688.59	1,444.98	
Current assets			
Inventories	59.03	97.41	
Financial assets			
- Trade receivables	101.96	195.95	
- Cash and cash equivalents	20.97	461.42	
- Bank balances other than cash and cash equivalent	1.98	7.04	
- Loans	4.30	3.15	
- Other financial assets	1,107.21	10.16	
Current tax assets (net)	4.40	-	
Other assets	64.04	141.80	
Assets held for sale	16.46	-	
Total current assets	1,380.37	916.93	
Total assets	3,068.96	2,361.91	
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19.15	19.09	
Compulsorily convertible debentures	-	-	
Other equity	945.92	1,356.70	
Total equity	965.07	1,375.79	
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	828.43	328.85	
- Other financial liabilities	95.88	62.47	
Provision	0.01	2.80	
Other liabilities	-	10.46	
Total non-current liabilities	924.32	404.58	
Current liabilities			
Financial liabilities			
- Borrowings	583.91	384.00	
- Trade payables			
Total outstanding dues of micro enterprises and small enterprises	-	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	171.58	9.91	
- Other financial liabilities	387.98	166.82	
Provisions	6.40	2.86	
Current tax liabilities (net)	-	4.72	
Other current liabilities	12.05	13.23	
Liabilities associated with assets held for sale	17.65	-	
Total current liabilities	1,179.57	581.54	
Total equity and liabilities	3,068.96	2,361.91	



Consolidated Statement of Cash Flows for the year ended 31st March 2020

Particulars	Rs. in crore	
	For the year ended 31 March 2020	For the year ended 31 March 2019
	Audited	Audited
Cash flows from operating activities		
Profit before tax for the year	(458.46)	71.67
Adjustments:		
- Interest income (including fair value change in financial instruments)	(12.21)	(24.66)
- Provision for doubtful advances	26.06	3.50
- Impairment of Assets held for sale	2.46	-
- Provision for diminution in value of investments	1.54	-
- Goodwill on consolidation impaired	17.90	-
- Commission income on guarantees given to group companies	(0.15)	(0.82)
- Effect of foreign currency translation of subsidiaries	(0.26)	1.50
- Gain on termination of Lease Contract	(29.67)	-
- Loss / (gain) from forex hedging	-	(4.09)
- Interest expense (including fair value change in financial instruments)	212.39	81.13
- Loss on sale of assets	0.08	-
- Depreciation and amortization	336.09	189.37
- Profit / (loss) from discontinued operations	(5.36)	(6.68)
Operating cash flow before working capital changes	90.42	310.92
Changes in working capital		
- Assets	(869.17)	(59.32)
- Liabilities	227.07	(32.78)
- Reclassification of assets held for sale, net	4.70	-
Cash generated from operations	(546.99)	218.82
Income taxes paid	(9.12)	(39.35)
Cash generated from operations [A]	(556.11)	179.47
Cash flows from investing activities		
Purchase of property, plant and equipment (net off of capital advance recovery)	89.76	(385.31)
Advance received for Assets held for sale	9.32	-
Investments	(24.96)	(0.26)
Withdrawal of fixed deposits	5.06	0.37
Interest received	4.53	15.70
Net cash used in investing activities [B]	83.71	(369.50)
Cash flows from financing activities		
Proceeds from long term and short term borrowings	36.20	312.21
Interest paid	(80.92)	(67.82)
Repayment of lease liabilities	(171.97)	-
Net cash generated / (used) in financing activities [C]	(216.69)	244.39
Increase in cash and cash equivalents		
Cash and cash equivalents at the beginning of the year	354.86	300.50
Movement in cash and cash equivalents during the year [A+B+C]	(689.09)	54.36
Cash and cash equivalents at the end of the year	(334.24)	354.86
Components of cash and cash equivalents (refer note 14, 19-B and 20-B of consolidated financial statements)		
Balances with banks:		
- in current accounts	19.02	39.45
- in escrow account	0.77	1.80
- in fixed deposits	0.11	415.13
Cash on hand	1.07	5.04
Book overdraft	(26.64)	(0.69)
Bank overdraft	(328.57)	(105.87)
Cash and cash equivalents at the end of the year	(334.24)	354.86

Segment Information

Based on the "management approach" as defined in Ind AS 108, "Operating Segments", the Chief Operating Decision Maker (CODM) evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Production, procurement and export division and retail operations as its operating segments.

Financial information on consolidated reportable operating segments for the quarter and year ended 31 March 2020 is set out
(Rupees in Crores)

	Particulars	Quarter ended			Year ended	
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
		Audited *	Unaudited	Audited *	Audited	Audited
1	Segment revenue					
	a) Production, procurement and export division	91.82	14.28	142.55	241.35	347.12
	b) Retail operation	299.18	360.94	390.33	1,403.80	1,632.07
	Total	391.01	375.21	532.88	1,645.16	1,979.19
2	Segment results					
	a) Production, procurement and export division	(58.83)	(3.60)	3.36	(105.43)	6.50
	b) Retail operation	(3.94)	64.53	82.60	195.44	334.25
	Total	(62.77)	60.93	85.97	90.01	340.75
3	Reconciliation to financial results					
a)	Segment revenue	391.01	375.21	532.88	1,645.16	1,979.19
	Less: reconciling items					
	- taxes and discounts on sales	(25.68)	(34.46)	(42.15)	(136.44)	(183.84)
	Revenue as per financial results	365.33	340.75	490.73	1,508.72	1,795.35
b)	Segment results	(62.77)	60.93	85.97	90.01	340.75
	Less: reconciling items					
	- depreciation	(91.99)	(82.61)	(46.20)	(336.09)	(188.20)
	- finance cost	(68.39)	(49.42)	(24.54)	(212.39)	(80.89)
	Profit before share of profit from joint ventures accounted using equity method and tax as per financial results	(223.15)	(71.10)	15.22	(458.46)	71.67

* Refer Note no. 4

Notes to the segment information:

Since, the information about segment assets and segment liabilities are not provided to the CODM for his review, the Company has not presented such information as a part of its segment disclosure which is in accordance with the requirements of Ind AS 108.



M/s.COFFEE DAY GLOBAL LIMITED

Notes:

- 1 The above results of Coffee Day Global Limited ("the Company"), its subsidiaries and joint ventures (collectively known as "the Group") are prepared in accordance with requirement of the Indian Accounting Standard 110 "Consolidated Financial Statement" prescribed by Companies (Indian Accounting Standard) Rules, 2015 and in the format prescribed under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations, 2015").

The consolidated figures above include figures of subsidiaries namely A.N Coffee day International Limited, Coffee Lab Limited, Coffee Day C.Z., Coffee Day Gastronomie und Kaffeehandels GmbH Kaffee, Classic Coffee Curing Works and joint ventures - Coffee Day Schaeerer Technologies Private Limited and Coffee Day Consultancy Services Private Limited (including its subsidiary Coffee Day Econ Private Limited)

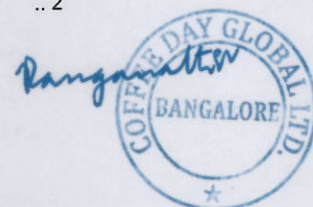
- 2 As the Company is an unlisted entity, it is not mandatorily required to prepare the financial results in accordance with the Listing Regulations, 2015. However, the Company has voluntarily prepared the financial results using the format prescribed by the Listing Regulation, 2015 pursuant to listing of shares of Coffee Day Enterprises Limited, its holding company, for submission to Bombay Stock Exchange and National Stock Exchange.
- 3 The Statement of audited consolidated financial results ('the Statement') of the Group for the quarter and year ended dated 31 March 2020 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors in the meeting held on 09 November 2020.
- 4 The figures for the quarter ended 31 March 2020 and the corresponding quarter ended in the previous year as reported in these consolidated financial results are balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of third quarter of the relevant financial year. Also the figures upto the end of third quarter of the respective financial year have only been reviewed and not subjected to audit. The Audit report of the Statutory Auditors is being filed with Bombay Stock Exchange and National Stock Exchange and is also available on the Company's website www.coffeeday.com.
- 5 The Board of Director of the Holding Company at their meeting held on 30 August 2019 appointed Mr. Ashok Kumar Malhotra, retired DIG of Central Bureau of Investigation (CBI) who is assisted by Agastya Legal LLP lead by its senior partner Dr. M R Venkatesh and other professionals as decided by Mr. Ashok Kumar Malhotra to investigate the circumstances leading to the statements made in the letter of the former Chairman late V. G. Siddhartha and to scrutinise the books of accounts of the Holding Company and its subsidiaries. The investigation is concluded and the report has been adopted in the board meeting of the holding company held on 24.07.2020. In the synopsis of the report attention is drawn towards the amount recoverable by various subsidiaries (including Coffeeday Global Limited) of the holding company from M/s.Mysore Amalgamated Coffee Estates Limited (MACEL).

The company noted the same and forwarded it to the Board of MACEL and have asked them to provide the company with a repayment plan within 15 days for the amount due.

The board of holding company authorised its Chairman to appoint an ex-judge of the Hon'ble Supreme Court or the Hon'ble High Court, or any other person of eminence, to suggest and oversee actions for recovery of the dues from MACEL and to help on any other associated matters.

In the background of above the Board of Directors of holding company M/s.Coffeeday Enterprises Limited, in the board meeting held on 21.08.2020, appointed Retired Hon'ble Justice Sri.K.L.Manjunath, former Judge of Hon'ble High Court of Karnataka, to suggest and oversee actions for recovery of the dues from MACEL and to help on any other associated matters.

The holding company M/s.Coffeeday Enterprises Ltd vide its letter dated 21.08.2020 has made a Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015 to the National Stock Exchange of India Ltd, Manager – Listing, and Bombay Stock Exchange Limited, that the company has appointed Retired Hon'ble Justice Sri.K.L.Manjunath former Judge of Hon'ble High Court of Karnataka to suggest and oversee actions for recovery of dues from Mysore Amalgamated Coffee Estates Ltd. The management has decided to make a provision, if required, on the outstanding amount receivable from M/s.Mysore Amalgamated Coffee Estates Ltd of Rs.1,208.30 crores (including due to joint ventures) only after the receipt of report from Justice K L Manjunath.



M/s.COFFEE DAY GLOBAL LIMITED

- 6 a) Post the unfortunate demise of the group Chairman, despite some temporary disruptions, the company has been able to smoothly carry on the operations in an uninterrupted manner under the guidance of the Executive Committee.
- b) The company has incurred losses for the period however there is cash profit earned for the period.
- c) There is a continued support from the group companies on sale of non core assets of the group.
- d) Exports operation has been stopped due to lower margin and higher working capital requirement. And based on various factors including the profitability, future increase in major expenses etc. some of the cafes are being closed, which are helping to increase Average Sales Per Day. This will result in continuing the remaining cafes profitably and adding value for the company as a whole to continue as going concern.
- e) The company has also discontinued its international operations due to viability issues.
- f) Several lenders have classified the company facilities as NPA. Further there is default in payment of dues to various banks and financial institutions to the tune of Rs.211.65 crores (including interest of Rs. 24.81 crores) upto March 2020. However there is a continued support from bankers and financial institutions.
- Under the above circumstances the financial results are prepared on going concern basis.

- 7 Ind AS 116 - Leases, has become applicable effective annual reporting period beginning April 1, 2019. The Group has adopted the standard beginning April, 1 2019, using the modified retrospective approach for transition. Accordingly, the Group has not restated the comparative information, instead the cumulative effect of initially applying the standard has been recognised as an adjustment to the opening balance of retained earnings as on April, 1 2019.

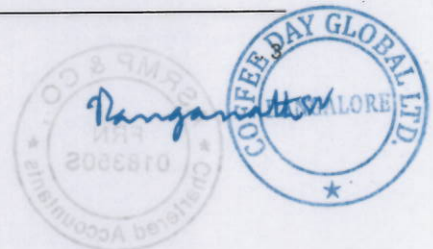
- i) On transition, the adoption of the new standard resulted in recognition of 'Right of Use asset' of Rs.570.34 crores, and a lease liability of Rs.715.28 crores. The cumulative effect of applying the standard of Rs.155.96 crores (net off of rent equalisation reserve of Rs.12.10 crores) less taxes Rs.54.50 crores and net Rs.101.46 crores was adjusted with opening balance of retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS116 will result in decrease in cash out flows from operating activities and an increase in cash out flows from financing activities on account of lease payments.
- ii) On transition the carrying value of lease hold land of Rs.90.02 crores has been reclassified from Property, Plant & Equipment to 'Right of Use asset'.
- iii) Opening balance of prepaid rent on Buildings as at 01 April, 2019, which were earlier classified under Other current assets and Other non current assets have been adjusted to right-of-use assets by Rs.23.12 crores and depreciated over the lease term.

Consequently in the statement of profit and loss for the current period, the "Other Expense" in the financial statements stand reduced to the extent of Rent pertaining to leases and the amounts under "Depreciation and amortization expense" for the right of use assets and "Finance cost" for interest accrued on lease liability, stand increased. As a result the "Other expenses", "Depreciation and amortization expense" and "Finance Cost" of the current period is not comparable to the earlier periods.

To the extent the performance of the current period is not comparable with previous results, the reconciliation of above effect on statement is as follows

Rs. In Crores			
Particulars	Year ended 31.03.2020 as reported	Changes due to application of Ind AS 116	Year ended 31.03.2020 comparable basis
Other Income	49.64	(29.67)	19.97
Finance costs	212.39	(79.00)	133.39
Depreciation and amortisation expense	336.09	(109.12)	226.97
Other expenses	525.40	171.97	697.37

- 8 During the year M/s.RBL Bank has invoked 1,52,94,118 Equity shares held in M/s.Coffee Day Consultancy Services Private Limited in view of default of repayment of dues to the bank, and the same will be reverted back on repayment of dues to them.



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- 9 The company was subjected to search u/s 132 of the Income tax act, 1961. The company has filed the returns of income in response to notice u/s 153A of the act. In December 2019, the assessment has been concluded for AY 2012-13 to AY 2018-19. And demand of total amount of Rs.28.82 crores (Rs. 40.08 crore before section 154 effect) is raised in respect of Income tax search assessments, only in respect of AY 2012-13, AY 2015-16, AY 2016-17, AY 2017-18 & AY 2018-19. Addition in assessment is not related to search materials but is on account of additional depreciation claim and disallowance u/s 14A of the act. The company has filed appeal against the assessment orders before Commissioner of Income Tax (Appeals) - 11, Bangalore. The additions are similar which were added in regular assessment orders u/s 143(3) of the Act in AY 2013-14 and AY 2014-15 wherein relief is given by the Commissioner of Income Tax (Appeals) and upheld by the Income Tax Appellate Tribunal. In view of this the company expects full relief in the appeal and contends that there will be no enforceable demand.
- 10 The details of non recurring expenses incurred is as detailed below -

Particulars	Quarter ended			Year ended	
	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
	Audited *	Unaudited	Audited *	Audied	Audited
Provision for doubtful Advance	24.52	-	3.50	26.06	3.50
Impairment of assets held for sale	2.46	-	-	2.46	-
Provision of diminution in value of investment	1.54	-	-	1.54	-
Goodwill on consolidated impaired	-	-	-	17.90	-
Total	28.52	-	3.50	47.97	3.50

* Refer Note No.4

- 11 During the year there is outbreak of pandemic COVID-19 across the globe including India, and caused casualties. This also has prompted nations to go under lockdown, and has impacted the economy as a whole. India is also under complete lock down from last week of the financial year 2019-20 and continued in the financial year 2020-21. The lock down has been extended from time to time with variations.

The extent to which the COVID-19 will impact the consolidated financial results, mainly in respect of trade receivables, is dependent upon future events, which are highly uncertain, including among other things any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread and mitigate its impact whether government mandated or elected by the group. Further the management is confident of resuming the operational units to its full capacity in gradual manner over a period of time and do not foresee any threat to the going concern of the group.

- 12 The description of assets held for sale along with respective liabilities are as under -

Particulars	Rs. in crores	
	As at 31 March 2020	As at 31 March 2019
<u>Assets held for sale</u>		
Land at Hassan	1.08	-
Tea bagging units	12.29	-
Assets of A N Coffeeday International	0.00	-
Assets of Coffee Day Gastronomie Und Kaffeehandles	2.32	-
Assets of Coffee Day CZ a.s	3.22	-
	18.92	-
Less: Impairment	2.46	-
	16.46	-
<u>Liabilities associated with assets held for sale</u>		
Advance received for sale of land at Hassan	9.32	-
Liabilities of A N Coffeeday International	0.44	-
Liabilities of Coffee Day Gastronomie Und Kaffeehandl	3.18	-
Liabilities of Coffee Day CZ a.s	4.70	-
	17.65	-

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The details of the loss from discontinued operations is as under -

Particulars	Quarter ended			Year ended	
	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
	Audited *	Unaudited	Audited *	Audied	Audited
Revenue from operations	-	4.00	4.72	11.89	18.57
Other income	-	0.17	0.10	0.19	0.15
	-	4.17	4.82	12.07	18.72
Purchase of traded goods	0.31	0.64	0.34	2.02	2.75
Changes in inventories of finished goods a	(0.31)	-	0.08	(0.01)	0.08
Employee benefits expense	-	2.07	2.25	6.00	9.06
Finance cost	-	0.03	0.10	0.12	0.24
Depreciation and amortization expense	-	0.17	0.29	0.74	1.17
Other expenses	0.01	3.21	3.03	8.55	12.09
	0.01	6.12	6.09	17.42	25.40
Profit / (Loss) for the year	(0.01)	(1.95)	(1.27)	(5.35)	(6.68)

* Refer Note No.4

- 13 The Group was operating F&G division which is in the business of selling coffee powder and its variants through retail outlets and franchisees. During the month of April 2019, the company has entered into Business Transfer Agreement with Coffee Day Econ Private Limited (CDEPL) to transfer the business of F&G division to CDEPL, mainly to expand the business activities of F & G division. For smooth transition of the business the sales for the month of April 2019 is carried out in the GST registration number of the company, till the time the new company obtained GST registatoin nubmer. However the turnover pertains to CDEPL and has been accounted in their books of accounts.

For and on behalf of Board of Directors of
Coffee Day Global Limited

S V Ranganath
Interim Chairman

Place: Bangalore

Date: 09.11.2020

