

COFFEE DAY ENTERPRISES LIMITED



To,

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

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

Dear Sir/Madam,

17th December, 2020

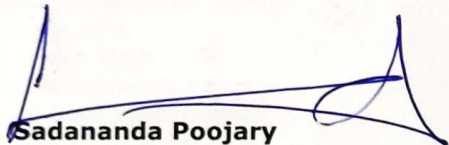
Regulation 23(9): Disclosure of Related Party Transactions pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to inform you that pursuant to Regulations 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 details of Related Party Transactions on a consolidated basis and balances as at 31st March 2020

Kindly take the same on record.

Thanking you,
Yours Truly,

For Coffee Day Enterprises Limited


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



Coffee Day Enterprises Limited

Post the unfortunate demise of Chairman Shri V G Siddhartha, the Company appointed Mr. Ashok Kumar Malhotra Ex-DIG CBI assisted by M/s. Agastya Legal LLP, New Delhi consisting of Legal Professional's head by Senior Partner Dr. M. R. Venkatesh to scrutinize the books of accounts of the Company and its subsidiaries. The Investigators submitted their investigation report on 24th July 2020 to the Company. The Investigation Report reported that, Rs 3,535 Crores is due from Mysore Amalgamated Coffee Estates Limited (MACEL) to the seven subsidiaries of the company. The Company on the receipt of Investigation Report appointed Justice. K.L. Manjunath, retired Judge of Hon. High Court of Karnataka to suggest and oversee actions for recovery of the dues from MACEL and to help on any other associated matters.

However, all the repetitive Related Party Transactions that were entered into during the FY 2019-20 were on an arm's length basis and in the ordinary course of business. There were no materially significant Related Party Transactions made by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations. Prior omnibus approval from the Audit Committee is obtained for transactions which are repetitive in nature.

Related party transactions

A. Enterprises where control exists

Associates

Barefoot Resorts and Leisure India Private Limited

Joint Ventures

PSA Sical Terminals Limited

Sical Sattva Rail Terminal Private Limited

Coffee Day Schaerer Technologies Private Limited

Coffee Day Consultancy Services Private Limited

Coffee Day Econ Private Limited

B. Parties where significant influence exists and with whom transactions have taken place:

Dark Forest Furniture Company Private Limited

Mysore Amalgamated Coffee Estates Limited

Coffee Day Barefoot Resorts Private Limited

Coffee Day Resorts (MSM) Private Limited

Sampigehutty Estates

Kathlekhan Estates Private Limited

Mindtree Limited

Smt. Vasanthi Hegde

Kesar Marble & Granite Limited

Sivan Securities Private Limited

C. Key management personnel (group):

Executive key management personnel:

Mr. V. G. Siddhartha(demised on 31 July 2019)

Mr. R. Ram Mohan

Mr. Sadananda Poojary

Mr. Jayraj Hubli

Mr. Venu Madhav(upto 26 Nov 2019)

Mr. Shankar Narayan D (w.e.f 26 Nov 2019)

Mr. B G Srinath

Mr M R Shashi Bhushan

Mr. Kush Desai (upto 20 Nov 2019)

Mr. Sumit R Kamath

Mr. Capt. K.N. Ramesh (upto 31 Oct 2019)

Mr. Shankar V

Mr. Harmit Kalra

Mr. K P Balaraj (upto 07 May 2020)

Mr. Radhakrishnan

Non-Executive / Independent Directors:

Ms. Malavika Hegde

Mr. Sanjay Nayar(Upto 11 Nov 2019)

Mr. S.V. Ranganath

Dr. Albert Hieronimus

Mrs. Sulakshana Raghavan (Upto 2 Aug 2019)



Coffee Day Enterprises Limited

D. Related party transactions other than those with key management personnel

I. The following is a summary of transactions :

Rs in crores

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|--|-------------------------------------|-------------------------------------|
| Cost of services | | |
| Sical Sattva Rail Terminal Private Limited | - | 0.01 |
| Loan / advance given | | |
| Coffee Day Resorts (MSM) Private Limited | 0.04 | 0.04 |
| Dark Forest Furniture Company Private Limited | 7.66 | 25.41 |
| Mysore Amalgamated Coffee Estates Limited | 3,172.25 | 2,226.80 |
| Coffee Day Barefoot Resorts Private Limited | 0.03 | 0.01 |
| Coffee Day Natural Resources Private Ltd | 0.01 | 0.04 |
| Sampigehutty Estates Pvt Ltd | 0.17 | - |
| Advance towards purchase of cofee | | |
| Mysore Amalgamated Coffee Estates Limited | - | 394.21 |
| Loans / advance recovered | | |
| Mysore Amalgamated Coffee Estates Limited | 502.29 | 1,449.13 |
| Coffee Day Resorts (MSM) Private Limited | - | 0.05 |
| Kathlekhan Estates Private Limited | 0.02 | - |
| Interest received | | |
| Mysore Amalgamated Coffee Estates Limited | - | 98.06 |
| Reimbursement of expenses paid | | |
| Coffee Day Schaerer Technologies Private Limited | 1.02 | 1.17 |
| Coffee Day Econ Private Limited | 1.84 | - |
| Coffee Day Consultancy Services Private Limited | 0.45 | - |
| Purchase of fixed assets | | |
| Dark Forest Furniture Company Private Limited | 7.82 | 31.46 |
| Purchase of clean and raw coffee | | |
| Mysore Amalgamated Coffee Estates Limited | 28.71 | 70.90 |
| Sampigehutty Estates | - | 69.13 |
| Kathlekhan Estates Private Limited | - | 159.85 |
| Purchases of coffee vending machines | | |
| Coffee Day Schaerer Technologies Private Limited | 0.85 | 2.38 |
| Sale of clean and raw coffee | | |
| Kathlekhan Estates Private Limited | - | 69.19 |
| Sampigehutty Estates Pvt Ltd | - | 0.51 |
| Sivan Securities Pvt.Ltd | - | 0.51 |
| Sale of coffee and service income | | |
| Mindtree Limited | - | 2.40 |
| Coffee Day Econ Private Limited | 30.97 | - |
| Rent received | | |
| Mindtree Limited | 40.95 | 41.62 |
| Refundable deposit received | | |
| Mindtree Limited | - | 1.06 |
| Deposits refunded | | |
| Mindtree Limited | 46.32 | 0.28 |
| Services rendered (Income from hospitality) | | |
| Barefoot Resorts and Leisure Pvt Ltd | 0.06 | - |
| Purchase of capital goods | | |
| Kesar Marble and Granite Ltd. | - | 0.14 |
| Purchase of software | | |
| Mindtree Limited | - | 3.52 |
| Provision for doubtful advances | | |
| Dark Forest Furniture Company Private Limited | 24.52 | - |



Coffee Day Enterprises Limited

Related party transactions (continued)

II. The following is a summary of balances receivable from and payable:

Rs in crores

| Particulars | As at | |
|---|---------------|---------------|
| | 31 March 2020 | 31 March 2019 |
| Advance given for purchase of land * | 275.00 | 415.00 |
| Creditors for capital goods | | |
| Mindtree Limited | | 3.22 |
| Coffee Day Schaerer Technologies Private Limited | 0.20 | 0.02 |
| Deposits payable | | |
| Mindtree Limited | - | 46.32 |
| Trade payables | | |
| Sical Sattva Rail Terminal Private Limited | 2.25 | 2.25 |
| Mysore Amalgamated Coffee Estates Limited | 21.09 | - |
| Dark Forest Furniture Company Private Limited | - | - |
| Coffee Day Econ Private Limited | 0.01 | - |
| Capital advances | | |
| Dark Forest Furniture Company Private Limited | 24.52 | 24.54 |
| Coffee Day Schaerer Technologies Private Limited | - | - |
| Provision for doubtful advances | | |
| Dark Forest Furniture Company Private Limited | 24.52 | |
| Current loans ** | | |
| Coffee Day Barefoot Resorts Private Limited | 15.42 | 15.40 |
| Coffee Day Resorts (MSM) Private Limited | 0.05 | 0.01 |
| Coffee Day Natural Resources Private Limited | 0.06 | 0.04 |
| Mysore Amalgamated Coffee Estates Limited | 2,289.85 | 789.35 |
| Dark Forest Furniture Company Private Limited | 0.45 | - |
| Advances for supply of goods & rendering of services | | |
| Mysore Amalgamated Coffee Estates Limited | - | 64.82 |
| Current borrowings | | |
| Mysore Amalgamated Coffee Estates Limited | - | 11.68 |
| Reimbursement of expenses | | |
| Coffee Day Schaerer Technologies Private Limited | 1.19 | 0.24 |
| Other Advances | | |
| Mysore Amalgamated Coffee Estates Limited | 1,222.60 | |
| G V Techparks Private Limited | 0.15 | |
| Trade receivables | | |
| Barefoot Resorts and Leisure Pvt Ltd | 0.06 | - |
| Coffee Day Econ Private Limited | 11.39 | - |
| Mindtree Limited | 0.20 | 1.74 |

* Balances includes advances made to Sivan Securities Private Limited and Smt. Vasanthi Hegde for Rs. 140 crore and Rs. 275 crore respectively.

** (a) Terms and conditions on which inter-corporate loans have been given:

| Party name | Nature of relationship | Interest rate | Repayment terms | Purpose |
|--|--|---------------|-----------------|---------|
| Coffee Day Resorts MSM Private Limited | Enterprise where significant influence exist | 0%* | On demand | General |
| Coffee Day Barefoot Resorts Private Limited | Enterprise where significant influence exist | 0%* | On demand | General |
| Coffee Day Natural Resources Private Limited | Enterprise where significant influence exist | 0%* | On demand | General |
| Mysore Amalgamated Coffee Estates Limited | Enterprise where significant influence exist | 0% | On demand | General |



Coffee Day Enterprises Limited

* Section 186 (7) of the Companies Act, 2013 ('the Act') states that no loan shall be given at a rate of interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan. However, section 186 (11) of the Act grants exemption from application of Section 186 of the Act, to loans made by companies engaged in the business of providing infrastructure facilities. Schedule VI of the Act has defined infrastructure facilities to include tourism, including hotels, convention centers and entertainment centres. Since, the subsidiary Coffee Day Hotels & Resorts Private Limited is in the business of operating resorts, it has obtained an opinion that it is exempt from the provisions of Section 186 of the Act. Accordingly, the subsidiaries has not charged interest in relation to loan provided.

Related party transactions (continued)

(b) Reconciliation of inter-company loans and advances given as at the beginning and as at the end of the year:

| Particulars | As at | As at |
|---|-----------------|---------------|
| | 31 March 2020 | 31 March 2019 |
| Coffee Day Resorts MSM Private Limited | | |
| Opening balance | 0.01 | 0.02 |
| Add: Given during the year | 0.04 | 0.04 |
| Less: Repaid during the year | - | (0.05) |
| Closing balance | 0.05 | 0.01 |
| Coffee Day Barefoot Resorts Private Limited | | |
| Opening balance | 15.40 | 15.39 |
| Add: Given during the year | 0.03 | 0.01 |
| Less: Repaid during the year | (0.01) | - |
| Closing balance | 15.42 | 15.40 |
| Coffee Day Natural Resources Private Limited | | |
| Opening balance | 0.04 | - |
| Add: Given during the year | 0.01 | 0.04 |
| Less: Repaid during the year | - | - |
| Closing balance | 0.05 | 0.04 |
| Mysore Amalgamated Coffee Estates Limited | | |
| Opening balance | 842.49 | - |
| Add: Given during the year | 3,172.25 | 2,226.80 |
| Less: Repaid during the year | (502.29) | (1,449.13) |
| Closing balance | 3,512.45 | 777.67 |

E. Related party transactions with key management personnel

I. The following is a summary of transactions:

| Particulars | Rs in crores | |
|---------------------------------|-------------------------------------|-------------------------------------|
| | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
| Compensation | 7.24 | 9.11 |
| - Short-term employee benefits* | (4,375.63) | 2,098.85 |
| Guarantee given/ (closed) | | |

* The remuneration of directors and key executives is determined having regard to the performance of individuals and market trends. Post employment benefit comprising gratuity and compensated absences are not disclosed as these are determined for the Group as a whole.

II. The following is a summary of balances receivable from and payable to KMP

| Particulars | Rs in crores | |
|-----------------------------------|------------------------|------------------------|
| | As at 31 March 2020 | As at 31 March 2019 |
| Personal guarantee received (VGS) | 1,650.05 | 6,341.56 |

