

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/s,

09th February, 2021

Regulation 33(3) of SEBI (LODR) Regulations, 2015: Outcome of Board Meeting for Consideration of Un-Audited Financial Results of the Company for the Quarter/Nine-months ended 31st December 2020

This is to inform you that at the meeting held today, the Board of Directors of our Company have approved the Standalone & Consolidated Un-Audited financial results of the Company for the quarter / nine-months ended 31st December, 2020, the meeting commenced at 05:30 PM and ended at 07:20 P.M

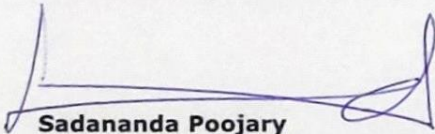
Enclosures:

- A copy of the "Financial Highlights" of Coffee Day Enterprises Limited attached herewith.
- A copy of the statement of Standalone & Consolidated Un-Audited financial results of the Company along with the Limited Review report for the quarter and nine-months ended 31st December 2020 is attached herewith.

Kindly take the same on record.

Thanking you,
Yours Truly,

For **Coffee Day Enterprises Limited**



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



Coffee Day Enterprises Limited
Financial Highlights

<u>Q3FY21</u>	<u>YTDFY21</u>
Revenue at Rs. 268 Crs; down 51% YoY	Revenue at Rs. 688 Crs; down 66% YoY
EBITDA at Rs. 43 Crs; up 34% YoY	EBITDA at Rs. 59 Crs; down 97 % YoY
Net profit after tax at Rs. -92 Crs; down 30% YoY	Net profit after tax at Rs. -322 Crs; down 125 % YoY

Part - I: Details of Financial performance

Rs in Crores (Crs)

Particulars	Q3FY21	Q2FY21	Q3FY20	YoY Growth %	YTDFY21	YTDFY20	YoY Growth %
Revenue	268	219	542	-51%	688	2,019	-66%
EBIDTA *	43	20	32	34%	59	2,104	-97%
Net Profit attributable to owners **	(92)	(92)	(131)	-30%	(322)	1,309	-125%

* EBITDA for the Q3FY21 and YTD FY21 includes exceptional gain amounting to Rs.15.51 crores on sale of equity stake in Way2Wealth Securities Private Limited and YTDFY20 includes exceptional gain amounting to Rs. 1,975 Crores on account of sale of equity stake held in Mindtree.

** PAT for the the Q3FY21 and YTD FY21 includes exceptional gain amounting to Rs.15.51 crores on sale of equity stake in Way2Wealth Securities Private Limited and YTDFY20 includes exceptional gain amounting to Rs. 1,828 Crores on account of sale of equity stake held in Mindtree.





To,

Board of Directors of Coffee Day Enterprises Limited

1. We were engaged to review the accompanying Statement of unaudited consolidated financial results of Coffee Day Enterprises Limited ('the Parent Company') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its share of the net loss after tax and total comprehensive income of its associates and joint ventures for the quarter ended December 31, 2020 ('the Statement'), being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. It is the responsibility of the Parent Company's Management and Board of Directors to compile this Statement from the individual final accounts prepared by the management of the subsidiaries in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The statement has been approved by the Parent Company's Board of Directors.
3. Our responsibility is to conduct a review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We are also responsible for performing procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.





Coffee Day Enterprises Limited
Consolidated limited review report (continued)

Because of the matters described in the paragraph 5 below, we were not able to obtain sufficient evidence to provide a basis for conclusion on the Statement and hence we do not express a conclusion on the Statement.

4. The Statement includes the results of the entities as per the attached Annexure I.

5. Basis for disclaimer of conclusion

- a. Disclaimer of opinion has also been expressed in the reports of the Holding Company due to non-compliance to the provisions of Companies Act with regard to preparation of financial statements. It is observed that there has been a change in the percentage of shares held by the Company in two of its subsidiaries as of December 31, 2020 vis-à-vis March 31, 2019 due to invocation of shares by the lenders of the subsidiaries (refer note 19 of the statement). However, while considering the amount invested in the subsidiaries, the Management of the Company has considered the erstwhile shareholding pattern prior to dilution as the Management believes that the change in shareholding is temporary in nature and the shares pledged will be redeemed back by the Company. However, these shares have been transferred to such lenders before December 31, 2020. Consequently, the impact of the said transfer (of Rs. 156 crores) on the standalone financial statements is not correctly reflected.

Further, the impact of the aforesaid on the consolidated financial statements of the Company, including but not limited to the profit attributable to the non-controlling interest in the Company are also not correctly reflected. Accordingly, the said treatment by the Company is not in line with the provisions of the Companies Act, 2013 and the requirements of the Indian Accounting Standards applicable on the Company.

- b. In respect of the Holding Company and some of the subsidiaries, there are instances of non-compliance with certain debt covenants and defaults in repayment of interest and borrowing as per the schedule of repayment. However, we are unaware of any consequent action, if any taken by bankers/ lenders as provided in the relevant loan agreements (refer





Coffee Day Enterprises Limited
Consolidated limited review report (continued)

note 15 of this statement). We are therefore unable to comment on the consequential adjustments that might impact this statement on account of non-compliance with debt covenants.

- c. Impairment for Goodwill arising on consolidation has not been considered in the consolidated financial statement (Refer note 8 of the statement). The valuation report assessing the value of the said intangible asset has also not been provided to us. The above impairment is required by Ind AS 36, 'Impairment of Assets', in view of the developments during the period including the investigation report submitted to the company. We are therefore unable to comment on whether any provisions on account of impairment is required and the impact of the same on this statement.
- d. Auditors of 4 subsidiaries which in turn has 5 step-down subsidiaries and 3 joint-ventures and 1 step-down subsidiary, based on their review, have issued a disclaimer of conclusion/qualification due to the possible impact of the recoverability of dues from Mysore Amalgamated Coffee Estates Limited ('MACEL'), a related party which in aggregate has a group exposure to the extent of Rs. 3,511 Crores as detailed in Note 7 of the statement.
- e. Auditor of 1 subsidiary which in turn has 14 step-down subsidiaries and 2 joint ventures, based on their review, have issued a qualified opinion due to acute liquidity crunch in one of its step-down subsidiaries, as qualified by the respective component auditor of the step-down subsidiary, and also due to the liquidity crunch faced by the Company itself as evidenced by losses incurred during the year, excess of current excess of current liabilities over current assets, loans due for repayment of the subsidiary and other step-down entities for which the holding company was the guarantor.
- f. In a letter dated July 27, 2019 signed by late Mr. V. G. Siddhartha, the Promoter and then Chairman and Managing Director of the Parent Company, which has come to light, it was inter-alia stated that the Management and auditors were unaware of all his transactions. Attention is drawn to Note 7 of the Statement, wherein, consequently, the Board of





Coffee Day Enterprises Limited
Consolidated limited review report (continued)

Directors have initiated an investigation into the circumstances leading to the statements made in the letter and to scrutinize the books of accounts of the Company and its subsidiaries. The investigation report submitted on July 24, 2020 has concluded that a sum of INR 3,535 Crore is due from MACEL a related entity to the subsidiaries of CDEL as on July 31, 2019. The report further concludes that out of this sum, INR 842 Crore was due to the subsidiaries as on March 31, 2019 and the balance sum of INR 2,693 Crore is the incremental outstanding which needs to be addressed. Further, the Board of the Company in the board meeting on August 21, 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 future course of action will be decided by the Management based on the decision taken by the Hon'ble Justice Sri K L Manjunath. We are unable to comment on the appropriateness of the transactions, including regulatory non-compliances, if any, and the recoverability of the amounts due in the absence of requisite evidence not being made available to us and its impact to the Statement.

- g. The Consolidated Financial results of the Group have been prepared by the Management and Board of Directors using the going concern assumption (refer note 13 of the statement). The matters detailed in the above paragraphs may have a consequential implication on the Group's ability to continue as a going concern. However, the Group is confident of meeting its obligations in the normal course of business and accordingly the accounts of the Group have been prepared on a Going Concern Basis.

6. Disclaimer of conclusion

In view of the nature of the matters described in paragraph 5, '**Basis for disclaimer of conclusion**'; above for which absence of sufficient evidence has resulted in limitation on work and the consequent adjustments not being determined and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, we are unable to state whether the accompanying statement has been prepared in accordance with the recognition and measurement principles laid down in the relevant Indian Accounting Standards and other





Coffee Day Enterprises Limited
Consolidated limited review report (continued)

accounting principles generally accepted in India, or that the Statement discloses the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement. Thus, we do not express a conclusion on the accompanying financial results.

7. Emphasis of Matter

- a. The Parent Company has also received a notice from Registrar of Companies, Karnataka, calling for information in connection with a proposed enquiry under Section 206 of the Companies Act, 2013 (Refer Note 18 of the statement). Which has been responded to by the company. Pending the outcome of the enquiry and related proceedings, we are unable to comment on the impact of the same on the Statement.
- b. The Parent Company & one subsidiary (refer to Note 11 of this statement) has filed an application seeking a onetime exemption from registering itself as a Non-Banking Financial Company (NBFC) as required by Section 45-IA of the Reserve Bank of India Act, 1934 and other related provisions. As at the date of this Statement a response from the Reserve Bank of India is awaited. In the absence of such exemption, we are unable to comment on the compliance with the aforesaid regulations and consequential impact, if any on this Statement.
- c. In case of 1 subsidiary, which in turn has 20 subsidiaries and 2 joint ventures, the subsidiary has entered into definitive binding agreement with prospective buyer on September 12, 2019 for the sale of Global Village Undertaking and the first phase of the transaction is concluded on March 27, 2020 (refer Note 5 of the Statement).
- d. In case of 1 subsidiary, which in turn has 20 subsidiaries and 2 joint ventures, the subsidiary has entered into definitive binding agreement with prospective buyer on January 10, 2020 for the sale of Way2Wealth Securities Private Limited including its certain subsidiaries (refer Note 6 of the Statement).





Coffee Day Enterprises Limited
Consolidated limited review report (continued)

- e. The Parent Company has entered into a definitive binding agreement on January 23, 2020 to sell the shares of 1 step-down subsidiary along with a few of its subsidiaries to Shriram Ownership Agreement. The transaction was consummated on 19 November 2020. The transaction is set at a Purchase Consideration is INR 55.66 Crore, which has been fully received by the Company in the current financial year except for the withheld consideration of INR 2 Crore and INR 12.1 Crore receivable by the company in form of preceding years Tax refunds and SEBI deposits from the purchaser (Shriram Ownership Trust), subject to realisation by the purchaser. The profit of INR 15.51 Crore on the above sale transaction has been recognised in the current reporting quarter.
- f. In case of 1 subsidiary, which in turn has 20 subsidiaries and 2 joint ventures, the subsidiary has not charged interest for the loans to related parties (refer Note 17 of the statement). However, the same is not consistent as compared to earlier periods. The same has also been emphasized in the report of another step-down subsidiary of the Company.
- g. The financials results of Sical Logistics Limited ('SLL') and its subsidiaries are consolidated along with the results of the Group for the year ending December 31, 2020 (refer note no 16 of the statement) on the basis of the control exercised by the Group over the Board of Directors of SLL, even though the shareholding of the Group in SLL has fallen below the prescribed 50%.

8. Other matters

- a. The unaudited financial results of 35 subsidiaries included in the Statement (reviewed by other auditors) reflect the Group's total revenues of Rs. 802 Crore for the period ending December 31, 2020, as considered in the unaudited consolidated financial results. The consolidated financial statements also include the Group's share of net profit of Rs. 1 crore for the period ended December 31, 2020, in respect of five subsidiaries and one associate, whose financial results have not been reviewed. The unaudited financial results reviewed by other auditors whose reports have been furnished to us by the Management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included





Coffee Day Enterprises Limited
Consolidated limited review report (continued)

in respect of these subsidiaries and joint ventures, is based on the reports of the other auditors.

- b. The financial results of 5 subsidiaries which are yet to commence operations for the year ended December 31, 2020, as considered in the Statement have not been reviewed either by us/ other auditors. However, the relevant financial information of these entities has been approved by the Management of the Parent Company. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

- c. We further draw your attention to the Note No. 21 to the Statement, which describes the extent to which the COVID-19 pandemic will impact the company's financial results. The same will depend on future developments, which are highly uncertain.

For **Venkatesh & Co.,**

Chartered Accountants

Firm registration number: 004636S



CA Dasaraty V

Partner

Membership Number: 026336

UDIN: 21026336AAAAC08848

Chennai, February 9, 2021





Coffee Day Enterprises Limited
Consolidated limited review report (continued)

Annexure I to the Audit Report

List of subsidiaries, associates and joint ventures included in the consolidated annual financial results:

S. No.	Entity	Status
1	Coffee Day Global Limited	Subsidiary
2	Coffee Day Hotels and Resorts Private Limited	Subsidiary
3	Coffee Day Kabini Resorts Limited	Subsidiary
4	Coffee Day Schaerer Technologies Private Limited	Joint Venture
5	Coffee Day Trading Limited	Subsidiary
6	Coffeelab Limited	Subsidiary
7	Develecto Mining Limited	Subsidiary
8	Girividhyuth India Limited	Subsidiary
9	Karnataka Wildlife Resorts Private Limited	Subsidiary
10	Magnasoft Consulting India Private Limited	Subsidiary
11	Magnasoft Europe Limited	Subsidiary
12	Magnasoft Spatial Services Inc.	Subsidiary
13	PAT Chems Private Limited	Subsidiary
14	PSA Sical Terminals Limited	Joint Venture
15	Sical Bangalore Logistics Park Limited	Subsidiary
16	Sical Connect Limited	Subsidiary
17	Sical Infra Assets Limited	Subsidiary
18	Sical Iron Ore Terminal (Mangalore) Limited	Subsidiary
19	Sical Iron Ore Terminal Limited	Subsidiary
20	Sical Logistics Limited	Subsidiary
21	Sical Logixpress Private Limited	Subsidiary
22	Sical Mining Limited	Subsidiary
23	Sical Multimodal and Rail Transport Limited	Subsidiary
24	Sical Sattva Rail Terminal Private Limited	Joint Venture
25	Sical Saumya Mining Limited	Subsidiary
26	Sical Supply Chain Solutions Limited	Subsidiary
27	Sical Washeries Limited	Subsidiary





Coffee Day Enterprises Limited
Consolidated limited review report (continued)

28	Tanglin Developments Limited	Subsidiary
29	Tanglin Retail Realty Developments Private Limited	Subsidiary
30	Way2Wealth Capital Private Limited	Subsidiary
31	Way2Wealth Enterprises Private Limited	Subsidiary
32	Wilderness Resorts Private Limited	Subsidiary
33	A N Coffeeday International Limited	Subsidiary
34	Barefoot Resorts and Leisure India Private Limited	Associate
35	Bergen Offshore Logistics Pte Limited	Subsidiary
36	Calculus traders LLP	Subsidiary
37	Classic Coffee Curing Works	Subsidiary
38	Coffee Day C.Z.	Subsidiary
39	Coffee Day Consultancy Services Private Limited	Joint Venture
40	Coffee Day Econ Private Limited	Joint Venture
41	Coffee Day Gastronomie und Kaffeehandels GmbH Kaffee	Subsidiary
42	Way2Wealth Insurance Brokers Private Limited	Subsidiary
43	Way2Wealth Brokers Private Limited	Subsidiary
44	Way2Wealth Commodities Private Limited	Subsidiary
45	Way2Wealth Securities Private Limited	Subsidiary



Coffee Day Enterprises Limited
CIN: L55101KA2008PLC046866
Registered office: 23/2, Coffee Day Square, Vittal Mallya Road, Bengaluru 560 001

**COFFEE
Day**

Statement of unaudited consolidated financial results for the quarter and nine months ended 31 December 2020

(Rs in Crores except per share data)

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from operations	267.53	219.21	542.38	688.26	2,018.89	2,552.44
	Other income	22.81	36.54	22.78	114.49	52.70	100.57
	Total income	290.34	255.75	565.16	802.75	2,071.59	2,653.01
2	Expenses						
	Cost of materials consumed	42.31	29.91	135.01	102.18	493.35	701.55
	Cost of integrated logistics services	88.19	98.17	172.77	287.56	697.73	829.21
	Purchases of stock-in-trade	0.90	0.37	0.93	1.40	2.58	2.30
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(0.01)	(0.01)	3.58	6.41	19.47	16.45
	Employee benefits expense	54.59	50.04	101.74	153.77	325.90	405.53
	Finance costs	69.10	75.51	111.60	229.48	389.15	519.09
	Depreciation and amortization expense	75.68	81.28	106.14	272.30	315.77	430.04
	Other expenses	82.87	58.17	116.85	209.01	362.11	975.35
	Total expenses	413.63	393.44	748.62	1,262.11	2,606.06	3,879.52
3	Profit/(Loss) before share of profit/(loss) from equity accounted investees, exceptional items and tax (1 - 2)	(123.29)	(137.69)	(183.46)	(459.36)	(534.47)	(1,226.51)
4	Exceptional items	15.51	-	-	15.21	1,941.95	1,941.95
5	Profit/(Loss) before share of profit/(loss) from equity accounted investees and tax (3 + 4)	(107.78)	(137.69)	(183.46)	(444.15)	1,407.48	715.44
6	Share of profit / (loss) from equity accounted investees (net of income tax)	5.76	1.28	(2.14)	0.89	(7.95)	(14.08)
7	Profit/(Loss) before tax (5 + 6)	(102.02)	(136.41)	(185.60)	(443.26)	1,399.53	701.36
8	Tax expense	(4.91)	(31.76)	(0.66)	(85.15)	82.78	21.96
9	Profit/(Loss) for the period (7 - 8)	(97.11)	(104.65)	(184.94)	(358.11)	1,316.75	679.40
10	Profit/(Loss) from discontinued operations, net of tax	(13.30)	(6.08)	20.97	(21.90)	(23.04)	1,169.11
11	Profit/(Loss) for the period (9+ 10)	(110.41)	(110.73)	(163.97)	(380.01)	1,293.71	1,848.51
	Attributable to owners of the company	(91.89)	(91.88)	(131.09)	(321.63)	1,309.49	1,883.53
	Attributable to non-controlling interests	(18.52)	(18.85)	(32.88)	(58.38)	(15.77)	(35.02)
	Other comprehensive income	(1.98)	(0.04)	0.12	(1.87)	(0.67)	8.45
	Items that will not be reclassified to profit or loss, net of tax	-	-	(0.10)	-	(0.09)	(0.26)
	Items that will be reclassified to profit or loss, net of tax	-	(0.98)	(2.20)	(0.05)	(9.54)	(7.42)
	Other comprehensive income from Discontinued Operation Net of Taxes	(1.98)	(1.02)	(2.18)	(1.92)	(10.30)	0.77
12	Other comprehensive income for the period, net of tax	(1.98)	(0.86)	(1.81)	(1.95)	(7.25)	3.15
	Attributable to owners of the company	-	(0.16)	(0.37)	0.03	(3.06)	(2.38)
	Attributable to non-controlling interests	(1.98)	(0.86)	(1.81)	(1.95)	(7.25)	3.15
13	Total comprehensive income for the period (11 + 12)	(112.39)	(111.75)	(166.15)	(381.93)	1,283.41	1,849.28
	Attributable to owners of the company	(93.87)	(92.74)	(132.90)	(323.58)	1,302.24	1,886.68
	Attributable to non-controlling interests	(18.52)	(19.01)	(33.25)	(58.35)	(18.83)	(37.40)
14	Paid-up equity share capital (face value of Rs 10 each)	211.25	211.25	211.25	211.25	211.25	211.25
15	Reserves excluding revaluation reserves	-	-	-	-	-	4,092.29
16	Earnings per share:						
	Basic earnings per share (In Rs.)	(4.35)	(4.35)	(6.21)	(15.23)	61.99	89.16
	Diluted earnings per share (In Rs.)	(4.35)	(4.35)	(6.21)	(15.23)	61.99	89.16

See accompanying notes to the consolidated financial results



Segment Information

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Coffee and related business, Integrated multimodal logistics, Financial services, Leasing of commercial office space, Hospitality services and Investment operations.

Financial information on our consolidated reportable operating segments for the quarter and nine months ended 31 December 2020 is set out as below:

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment revenue						
	a) Coffee and related business	123.72	78.70	340.75	259.76	1,143.39	1,508.72
	b) Integrated multimodal logistics	123.64	128.35	187.58	388.97	847.41	1,005.93
	c) Hospitality services	11.63	4.59	9.32	16.22	25.08	32.72
	d) Investment operations	11.07	7.85	13.01	26.15	46.36	55.92
	Total	270.06	219.49	550.66	691.10	2,062.24	2,603.29
2	Segment result						
	a) Coffee and related business	20.66	8.49	59.43	37.21	149.46	84.92
	b) Integrated multimodal logistics	11.60	11.33	(29.65)	28.85	(0.91)	(5.89)
	c) Hospitality services	5.40	0.47	3.13	4.88	5.87	6.17
	d) Investment operations	5.10	0.09	(0.77)	(12.42)	1,950.03	1,565.29
	Total	42.76	20.38	32.14	58.52	2,104.45	1,650.49
3	Reconciliation to consolidated financial results						
	Segment revenue	270.06	219.49	550.66	691.10	2,062.24	2,603.29
	Less: reconciling items						
	Inter-segment revenue	2.53	0.28	8.28	2.84	43.35	50.85
	Revenue from operations	267.53	219.21	542.38	688.26	2,018.89	2,552.44
	Segment result	42.76	20.38	32.14	58.52	2,104.45	1,650.49
	Less: reconciling items						
	Depreciation and amortisation expense	75.68	81.28	106.14	272.30	315.77	430.04
	Finance costs	69.10	75.51	111.60	229.48	389.15	519.09
	Tax expense, net	(4.91)	(31.76)	(0.66)	(85.15)	82.78	21.96
	Profit for the period	(97.11)	(104.65)	(184.94)	(358.11)	1,316.75	679.40

See accompanying notes to the consolidated financial results

Notes to the segment information:

a) Segment result represents EBITDA i.e. earnings before interest expense, depreciation / amortisation expense and tax. For the purpose of segment reporting, the Group has included share of profit from equity accounted investees under respective business segments. Further, the segment results disclosed under investment operations, includes exceptional gain primarily on account of sale of equity stake in Mindtree Limited.

b) Since the information about segment assets and segment liabilities are not reviewed by the CODM, the Group has not presented such information as a part of its segment disclosure, which is in accordance with the requirements of Ind AS 108.

Ranganath



Explanatory Notes to the Statement of Unaudited Consolidated Financial Results for the Quarter and nine months ended 31 December 2020

- 1 The consolidated financial results of Coffee Day Enterprises Limited ("the Parent Company" or "CDEL" or "the Company") and its subsidiaries (collectively known as 'the Group') and its associates and joint ventures have been prepared by the management of the Parent Company which has been consolidated based on the financial results prepared by the management of respective subsidiaries, associates and joint ventures in accordance with the recognition and measurement principals laid down in Indian Accounting Standard (referred to as 'Ind AS') 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) as amended from time to time and other accounting principles generally accepted in India and in terms of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (the "Listing Regulations").

The consolidated figures above include figures of the subsidiaries including step-down subsidiary companies namely Coffee Day Global Limited, A.N Coffee day International Limited, Classic Coffee Curing Works, Coffee lab Limited, Coffee Day Gastronomie Und Kaffeehandles GmbH, Coffee Day CZ, Way2Wealth Securities Private Limited, Way2Wealth Capital Private Limited, Way2Wealth Brokers Private Limited, Way2Wealth Commodities Private Limited, Way2Wealth Enterprises Private Limited, Way2Wealth Insurance Brokers Private Limited, Calculus Traders LLP, Coffee Day Hotels and Resorts Private Limited, Wilderness Resorts Private Limited, Karnataka Wildlife Resorts Private Limited, Coffee Day Trading Limited, Magnasoft Consulting India Private Limited, Magnasoft Europe Limited, Magnasoft Spatial Services Inc., Coffee Day Kabini Resorts Limited, Tanglin Developments Limited, Tanglin Retail Realty Developments Private Limited, Sical Logistics Limited, Sical Infra Assets Limited, Sical Iron Ore Terminal Limited, Sical Iron Ore Terminal (Mangalore) Limited, Norseia Offshore India Limited, Sical Mining Limited, Sical Saumya Mining Limited, Sical Bangalore Logistics Park Limited, Sical Adams Offshore Limited, Bergen Offshore Logistics Pte. Limited, Sical Washeries Limited, Sical Multimodal and Rail Transport Limited, PNX Logistics Private Limited, PAT Chems Private Limited, Develecto Mining Limited and Girividhyuth India Limited.

The consolidated net profit presented includes Group's share of profit / loss from joint ventures namely Coffee Day Consultancy Services Private Limited, Coffee Day Econ Private Limited, Coffee Day Schaerer Technologies Private Limited, PSA Sical Terminals Limited, Sical Sattva Rail Terminal Private Limited and the Group's share of profits from associate Barefoot Resorts and Leisure India Private Limited.

- 2 The Statement of unaudited consolidated financial results ('the Statement') of the Group for the quarter ended and nine months ended 31 December 2020 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on 9 February 2021.
- 3 The Statutory Auditors have expressed disclaimer of conclusion in the limited review report in respect of the Statement being filed with Bombay Stock Exchange Limited ('BSE') and National Stock Exchange of India Limited ('NSE') and is also available on the Company's website www.coffeeday.com. Pursuant to the provisions of Listing Agreement, the Management has decided to publish unaudited consolidated financial results in the newspapers.
- 4 Information of standalone unaudited financial results of the Company:

(Rs in Crores)

Particulars	Quarter ended			Nine months ended		Year
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited *	Unaudited*	Audited*
Total income from operations	4.15	1.77	3.84	5.97	19.63	22.71
Profit/(Loss) for the period before tax	(65.69)	(19.05)	(16.63)	(102.51)	1,429.01	1,408.74
Profit/(Loss) for the period after tax	(65.69)	(19.05)	(14.97)	(102.51)	1,395.28	1,367.52

*Includes exceptional loss of Rs.46.50crores on account of sale of equity stake in Way2Wealth Securities Private Limited and exceptional gain of Rs.1,504 crores on account of sale of equity stake in Mindtree Limited.

- 5 On 14 August 2019, on approval of Board of Directors of the Parent Company, Tanglin Development Limited ("TDL") the subsidiary company executed the definitive agreements with entities belonging to Blackstone Group and Salarpuria Sattva Group for divestment of Global Village Techparks (discontinued business) for a consideration of Rs. 2,700 crores subject to closing conditions. Subsequently on 27 March 2020, TDL has received first tranche of Rs. 2,000 crores. The balance amount is expected to be received after the receipt of few statutory approvals. Out of the consideration received, TDL has repaid its external borrowings including principal and interest amounting to Rs. 1,644 crores to its lenders.

The results of discontinued business included in the consolidated financial results are as follows

Particulars	Quarter ended			Nine months ended		Year
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue	-	-	44.03	-	131.14	169.40
Expenses	-	-	31.16	-	106.39	161.78
Gain on transfer	-	-	-	-	-	1,190.39
Profit before tax	-	-	12.87	-	24.75	1,198.01
Tax expenses	-	-	-	-	-	(73.14)
Profit after tax	-	-	12.87	-	24.75	1,271.15



Ranganath

Explanatory Notes to the Statement of Unaudited Consolidated Financial Results for the Quarter and nine months ended 31 December 2020

- 6 On 14 August 2019, the Board of Directors of the Parent Company provided an in-principal approval for disinvestment in its step-down subsidiary, AlphaGrep Securities Private Limited in favor of Illuminati Software Private Limited. Subsequently, on 14 November 2019, Way2Wealth Securities Private Limited, the subsidiary company entered into a definitive agreement to sell AlphaGrep Securities Private Limited. The closing conditions were met, and necessary approvals were obtained following which the Company received sale consideration of Rs. 20 crores on 5 March 2020.

The results of discontinued business included in the consolidated financial results are as follows

Particulars	Quarter ended			Nine months ended		Year
	31-Dec-20	30-Jun-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue	-	-	89.66	-	223.35	324.35
Expenses	-	-	69.62	-	223.73	317.63
Profit before tax	-	-	20.04	-	(0.38)	6.72
Tax expenses	-	-	3.87	-	9.90	7.90
Profit after tax	-	-	16.17	-	(10.28)	(1.18)

- 7 The Board of Directors of the Parent 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 (led by its senior partner Dr. M R Venkatesh) to independently investigate the circumstances leading to the statements made in the letter of the Promoter and the then Chairman and Managing Director of the Company, late Mr. V. G. Siddhartha dated 27 July 2019 and to scrutinize the books of accounts of the Company and its subsidiaries. Investigation had completed on 24 July 2020 and the report had mentioned MACEL owes a sum of Rs.3,535 crores to the subsidiaries of CDEL as at 31 July 2019. out of the above, a sum of Rs.842 crores was due to these subsidiaries by MACEL as at 31 March 2019 as per the Consolidated Audited Financial Statements. Therefore, a sum of Rs.2,693 crores is the incremental outstanding that needs to be addressed. On receipt of the summary of the Investigation report addressed to the Board of Coffee Day Enterprises Limited. The subsidiaries noted it and forwarded it to the Board of Mysore Amalgamated Estates Limited and have asked them to provide the subsidiaries with a repayment plan within 15 days for the amount due to the subsidiaries as on 31st July 2019. The board of CDEL authorized its Chairman to appoint an ex-judge of the Hon.Supreme Court or the Hon. 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 the company, 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 Company 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.

In view of this, no provision has been made for doubtful debts by the group on the outstanding amount receivable from M/s. Mysore Amalgamated Coffee Estates Limited as on 30.09.2020 to the extent of Rs.3,511.28 crores

- 8 The Group has goodwill amounting to Rs. 375 crores as at 30 September 2020. The Parent Company shall carry out impairment assessment of the goodwill in its annual financial statements for the year ended 31 March 2021, as consistent with its past practice of carrying out impairment assessment at every yearend and hence impact, if any, has not been considered in this Statement.
- 9 On 8 January 2020, the Board of Directors of the Parent Company provided an in principal approval to sell the shares of Way2Wealth Securities Private Limited held by the Parent Company and its subsidiaries. Subsequently, on 23 January 2020, the Parent Company entered into a definitive agreement to sell Way2Wealth Securities Private Limited including its certain subsidiaries to Shriram Ownership Trust, subject to the closing conditions and required statutory approvals. The transaction was consummated on 19 November 2020.

On 19.11.2020, the parent company and its subsidiary Tanglin Developments Limited has entered into an Agreement to Sell the Shares of Way2Wealth Securities Private Limited including its certain subsidiaries to Shriram Ownership Trust. The transaction is set at a Purchase Consideration is Rs.55.66 crores, which has been fully received by the company in the current financial year except for the withheld consideration of Rs.2 crores. Another Rs.12.10 crores is receivable by the company in form of preceding years Tax refunds and SEBI deposits from the purchaser (Shriram Ownership Trust) which is in form of reimbursement, subject to realisation by the purchaser (Shriram Ownership Trust). The profit of Rs.15.51 crores on the above sale transaction has been recognised in the current reporting quarter.

Ranganath



Explanatory Notes to the Statement of Unaudited Consolidated Financial Results for the Quarter and nine months ended 31 December 2020

The results of discontinued business included in the consolidated financial results are as follows

Particulars	Quarter ended			Nine months ended		Year
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue	0.11	22.58	21.90	38.31	72.13	101.64
Expenses	13.45	20.81	28.64	51.72	107.42	190.84
Profit before tax	(13.34)	1.77	(6.74)	(13.41)	(35.29)	(89.20)
Tax expenses	(0.04)	7.85	(0.61)	8.49	(3.12)	6.30
Profit after tax	(13.30)	(6.08)	(6.13)	(21.90)	(32.17)	(95.50)

- 10 On 10 January 2020, the National Stock Exchange of India Limited issued a notice to the Company stating that trading in securities of the Parent Company will be suspended with effect from 3 February 2020 due to non-compliance with Regulation 33 of SEBI Regulations for two consecutive quarters i.e. 30 June 2019 and 30 September 2019 and/ or for non-payment of fine levied for the identified non-compliance. The trading of the securities would be allowed on the first trading day of every week for six months.
- 11 The financial income of the Parent Company and Coffee Day Trading Limited ('CDTL') earned during the current quarter ended 30 June 2019 constitutes more than 50% of its total income for the said period and financial assets constitutes more than 50% of its total assets as at 30 June 2019, thereby requiring these entities to register themselves as Non-Banking Financial Companies ('NBFC') with the Reserve Bank of India (RBI) as per the requirements of Section 45-IA of Reserve Bank of India Act, 1934. On 13 March 2020, the Parent Company and Coffee Day Trading Limited have made an application to the Deputy General Manager of the Department of Non-Banking Supervision requesting for a one-time exemption from obtaining registration as NBFC under the provisions of RBI. As of the date of this Statement, the Parent Company and CDTL are awaiting response from RBI.
- 12 On 9 January 2020, the Parent Company, made a Disclosure in terms of SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated 21 November 2019 for the quarter ended 31 December 2019 regarding the disclosures of defaults on payments of interest/ repayment of principal amount on loans from Banks/ Financial institutions and unlisted debt securities. As per the disclosure, the Parent Company has defaulted in payment of interest amounting to Rs. 1.48 crores towards loans or revolving facilities like cash credit from banks or financial institutions and Rs. 8 crores towards Unlisted debt securities i.e., Non-convertible Debentures.
- 13 These consolidated financial results for the quarter and nine months ended 31 December 2020 have been prepared on a going concern basis in view of the positive net worth of the Group amounting to Rs 4,685 crores as of 30 September 2020, significant value in underlying businesses managed by subsidiaries / joint ventures / associates, established track record of the Group to monetize its assets as demonstrated by stake sale in Mindtree Limited , sale of Global Village Tech Park owned by its wholly-owned subsidiary Tanglin Developments Limited , sale of Way2Wealth Group entities , operational efficiencies and consequential ability to service its obligations.
- 14 The Subsidiary of the Company has discontinued its international operations due to viability issues.

The results of discontinued business included in the consolidated financial results are as follows

Particulars	Quarter ended			Nine months ended		Year
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
	unaudited	Unaudited	unaudited	unaudited	unaudited	Audited
Revenue	-	-	4.17	-	12.08	12.07
Expenses	-	-	6.11	-	17.42	17.42
Profit before tax	-	-	(1.94)	-	(5.34)	(5.35)
Tax expenses	-	-	-	-	0.01	0.01
Profit after tax	-	-	(1.94)	-	(5.35)	(5.36)

- 15 The Group has borrowings amounting to Rs. 3,108 crores as at 30 September 2020. There have been certain covenant breaches with respect to certain borrowings taken by the group from various lenders. Such breaches entitle the lenders to recall the loan, however, as at 31 Decemebr 2020 these lenders have not extinguished their right nor exercised their right to recall such balances. On the date of this statement, there have been certain defaults in repayments of principal and interest of the loans and certain lenders have exercised their rights including recall the loans.
- 16 On the basis of the control exercised by the group on the board of directors of Sical Logistics Limited, the company is continuing to consolidate the financials of Sical logistics limited even though there is a reduction in the group shareholding in Sical Logistics Limited below 50% as of 31.12.2020.

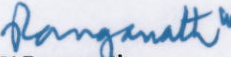
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Explanatory Notes to the Statement of Unaudited Consolidated Financial Results for the Quarter and nine months ended 31 December 2020

- 17 Tanglin Developments Limited (subsidiary) has advanced money to group companies from amount borrowed from banks and financial institutions during the current year interest on the same has not been charged during the period by the management in accordance with exemption under section 186(11) read with Schedule VI of the Companies Act, 2013
- 18 Parent company has received a notice from Registrar of Companies Karnataka calling for information in connection with a proposed enquiry under section 206 of the Companies Act 2013. The company has responded to notice on 24 July 2020.
- 19 Change in the percentage of shares held by the Company in its two subsidiaries viz M/s Tanglin Developments Limited & M/s Coffee Day Global Limited as of December 31, 2020 vis-à-vis March 31, 2019 due to invocation of shares pledged to the lenders of the subsidiaries. However, while considering the amount invested in the subsidiaries, Company has considered the erstwhile shareholding pattern prior to dilution as the Management believes that the change in shareholding is temporary in nature and the shares pledged will be released back by the Company. However, these shares have been transferred to such lenders before December 31, 2020.
- 20 Coffee Day Trading Limited (subsidiary) has not remitted income tax demand of Rs 41.54 crores relating to financial year 2018-19 relevant to Assessment Year 2019-20 and Advance tax liability of Rs 40.15 crores for the Assessment Year 2020-21.
- 21 The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.
COVID-19 is significantly impacting business operation of the group, by way of interruption in supply chain disruption, unavailability of personnel, closure/lockdown of Hospitality services, Travel bans etc. On 24th March, 2020, the Government of India ordered a nationwide lockdown initially for 21 days which further got extended till 1st June 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities. In assessing the recoverability of Groups assets such as Investments, Loans, Trade receivables etc. the Group has considered internal and external information. The Group has performed sensitivity analysis on the assumptions used basis the internal and external information/indicators of future economic conditions, the Group expects to recover the carrying amount of the assets.

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


S V Ranganath
Interim Chairman
Place: Bangalore
Date: 9 February 2021





To

Board of Directors of Coffee Day Enterprises Limited

1. We were engaged to review the accompanying statement of unaudited standalone financial results ('the Statement') of Coffee Day Enterprises Limited ('the Company') for the quarter ended December 31, 2020.
2. It is the responsibility of the Company's Management and Board of Directors to prepare this Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('IndAS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The statement has been approved by the Company's Board of Directors.
3. Our responsibility is to conduct a review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Because of the matters described in the paragraph 4 below, we were not able to obtain sufficient appropriate evidence to provide a basis for conclusion on the Statement and hence we do not express a conclusion on the Statement.

4. Basis for disclaimer of conclusion

- a. We have not been provided with sufficient evidence with respect to recoverability of dues from group companies amounting to INR 1,749 Crores. Further, we have not been provided appropriate evidence about any recognition of fair value of the estimated loss allowance on corporate guarantee given to its subsidiary (as detailed in Note 9 of the Statement) as required by Ind AS 109, 'Financial Instruments'. We are therefore unable to





Coffee Day Enterprises Limited
Limited review report (continued)

comment on the recoverability of the stated balance from group companies, fair value of estimated loss allowance on corporate guarantee given to a subsidiary, and the impact on the Statement.

- b. It is observed that there has been a change in the percentage of shares held by the Company in two subsidiaries (as detailed in note 13 of the Statement) as of December 31, 2020 vis-à-vis March 31, 2019 due to invocation of shares by the lenders of the subsidiaries. However, while considering the amount invested in the subsidiaries, the Management of the Company has considered the erstwhile shareholding pattern prior to dilution as the Management believes that the change in shareholding is temporary in nature and the shares pledged will be redeemed back by the Company.

However, these shares have been transferred to such lenders before December 31, 2020. Consequently, the impact of the said transfer of Rs. 156 Crores on the value of investments, loan balances and the profit/loss on such a transfer has not been reflected correctly the standalone financial statements of the Company. Accordingly, the said treatment by the Company is not in line with the provisions of the Companies Act, 2013 and the requirements of the Indian Accounting Standards applicable on the Company.

- c. The Management of the Company has determined that no impairment is required to be recognized on its investments in subsidiaries, associates and joint ventures with a carrying value of INR 1,866 Crore as at December 31, 2020, as required by Ind AS 36, 'Impairment of Assets', particularly consequent to developments during this period. As detailed in Note 5 of the Statement, the company makes an assessment of impairment only at the end of the financial year. We are therefore unable to comment on the impairment if any on investments in subsidiaries, associates and joint ventures and the effect, if any, on this Statement.
- d. This Statement has been prepared by the Management and Board of Directors using the going concern assumption (Refer Note 11 of the Statement). The matters detailed in the above paragraphs may have a consequential implication on the Company's ability to





Coffee Day Enterprises Limited
Limited review report (continued)

continue as a going concern. We are therefore unable to comment on whether the going concern basis for preparation of the Statement is appropriate.

5. Disclaimer of conclusion

Because of the substantive nature of the matters stated in paragraph 4, '**Basis for disclaimer of conclusion**', above for which we have not been able to obtain sufficient evidence, we are unable to state whether the accompanying Statement has been prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies or that the Statement discloses the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement. Thus, we do not express a conclusion on the accompanying financial results.

6. Emphasis of Matter

- a. In a letter dated July 27, 2019 signed by late Mr. V. G. Siddhartha, the Promoter and then Chairman and Managing Director of the Company, which has come to light, it was inter-alia stated that the Management and auditors were unaware of all his transactions. The Board of Directors had initiated an investigation into the circumstances leading to the statements made in the letter and to scrutinize the books of accounts of the Company and its subsidiaries.

The investigation report submitted to the Board of Directors on July 24, 2020 has concluded that Mysore Amalgamated Coffee Estates Limited ('MACEL') a related entity owes a sum of INR 3,535 Crore to the subsidiaries of CDEL as on July 31, 2019 of which a sum of INR 842 Crore was due to the subsidiaries as of March 31, 2019 leaving a balance of INR 2,693 Crore as incremental outstanding which needs to be addressed. Further, the Board of the Company in the board meeting on August 21, 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





Coffee Day Enterprises Limited
Limited review report (continued)

associated matters. The future course of action will be decided by the Management based on the decision taken by the Hon'ble Justice Sri K L Manjunath.

- b. The Company has entered into a definitive binding agreement to sell the shares of Way2Wealth Securities Private Limited held by the Company and its subsidiaries on 23 January 2020. The transaction is set at a Purchase Consideration is INR 55.66 Crore, which has been fully received by the Company and its subsidiaries in the current financial year except for the withheld consideration of INR 2 Crore and INR 12.09 Crore receivable by the company in form of preceding years Tax refunds and SEBI deposits from the purchaser (Shriram Ownership Trust), subject to realisation by the purchaser. The company has recognised a loss of INR 46.50 Crore on the above sale transaction has been recognised in the current reporting quarter.
- c. Attention is drawn to Note 10 of the Statement on covenant breaches with respect to certain borrowings taken by the Company from various lenders. Further, the Company has also defaulted interest to lenders on the borrowings outstanding as of December 31, 2020.
- d. The Company has also received a notice from Registrar of Companies, Karnataka, calling for information in connection with a proposed enquiry under Section 206 of the Companies Act, 2013 (Refer note 14 of the statement). The Company has responded to the inquiry and has furnished the information called for. Pending the outcome of the enquiry and related proceedings, we are unable to comment on the impact of the same on this Statement.
- e. The Company has filed an application seeking a onetime exemption from registering itself as a Non-Banking Financial Company (NBFC) as required by Section 45-IA of the Reserve Bank of India Act, 1934 and other related provisions (refer Note 12 of the statement). As at the date of this Statement a response from the Reserve Bank of India is awaited. In the absence of such exemption, we are unable to comment on the compliance with the aforesaid regulations and consequential impact, if any on this Statement.





VENKATESH & CO
Chartered Accountants

Coffee Day Enterprises Limited
Limited review report (continued)

7. Other matters

We further draw your attention to the Note 15 to the Statement, which describes the extent to which the COVID-19 pandemic will impact the company's financial results. The same will depend on future developments, which are highly uncertain.

For **Venkatesh & Co.,**

Chartered Accountants

Firm registration number: 004636S



CA Dasaraty V

Partner

Membership Number: 026336

UDIN: 21026336AAAACN4838

Chennai, February 9, 2021



Coffee Day Enterprises Limited
CIN: L55101KA2008PLC046866

Registered office: 23/2, Coffee Day Square, Vittal Mallya Road, Bengaluru 560 001

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(Rs in millions except per share data)

Statement of unaudited standalone financial results for the quarter and nine months ended 31 December 2020

Sl. No.	Particulars	Quarter ended			Nine Months Ended		Year ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	a) Revenue from operations	41.42	17.24	36.30	58.66	151.82	183.96
	b) Other income	0.11	0.44	2.08	1.08	44.45	43.12
	Total income (a+b)	41.53	17.68	38.38	59.74	196.27	227.08
2	Expenses						
	a) Purchase of stock-in-trade	-	-	-	-	-	-
	b) Employee benefits expense	17.60	12.62	20.74	33.95	63.67	89.13
	c) Finance costs	176.11	173.85	167.78	518.73	814.04	982.73
	d) Depreciation and amortization expense	1.48	1.48	1.56	4.44	4.57	6.06
	e) Other expenses	38.24	20.20	14.61	62.72	61.90	99.71
	Total expenses (a+b+c+d+e)	233.43	208.15	204.69	619.84	944.18	1,177.63
3	Profit/(loss) before exceptional items and tax (1 - 2)	(191.90)	(190.47)	(166.31)	(560.10)	(747.91)	(950.55)
4	Exceptional items	(464.97)	-	-	(464.97)	15,037.96	15,037.96
5	Profit/(loss) before tax (3 + 4)	(656.87)	(190.47)	(166.31)	(1,025.07)	14,290.05	14,087.41
6	Tax expense	-	-	(16.59)	-	337.27	412.21
7	Profit/ (Loss) for the period (5-6)	(656.87)	(190.47)	(149.72)	(1,025.07)	13,952.78	13,675.20
	Other comprehensive income						
	Items that will not be reclassified to profit or loss, net of tax	-	-	-	-	0.14	5.89
8	Other comprehensive income for the period, net of tax	-	-	-	-	0.14	5.89
9	Total comprehensive income for the period (7+8)	(656.87)	(190.47)	(149.72)	(1,025.07)	13,952.92	13,681.09
10	Paid-up equity share capital (face value of Rs.10 each)	2,112.52	2,112.52	2,112.52	2,112.52	2,112.52	2,112.52
11	Reserves excluding revaluation reserve	-	-	-	-	-	29,624.17
12	Earnings per equity share for continuing operations (not annualized)						
	(a) Basic (Rs)	(3.11)	(0.90)	(0.71)	(4.85)	66.05	64.73
	(b) Diluted (Rs)	(3.11)	(0.90)	(0.71)	(4.85)	66.05	64.73

See accompanying notes to the financial results

Ranganathan



Coffee Day Enterprises Limited
CIN: L55101KA2008PLC046866

Registered office: 23/2, Coffee Day Square, Vittal Mallya Road, Bengaluru 560 001

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Explanatory Notes to the Statement of Unaudited Standalone Financial Results for the Quarter and nine months ended 31 December 2020

- 1 The Statement of unaudited standalone financial results ('the Statement') of Coffee Day Enterprises Limited ('the Company') for the quarter and nine months ended 31 December 2020 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors in the meeting held on 9 February 2021. The Statutory Auditors have issued as disclaimer of conclusion in respect of the Statement being filed with Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and is also available on the Company's website www.coffeeday.com. Pursuant to the provisions of Listing Agreement, the Management has decided to publish unaudited financial results in the newspapers.
- 2 This Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (referred to as 'Ind AS') 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations').
- 3 In accordance with Ind AS 108, "Operating segments", segment information has been provided in the unaudited consolidated financial results of the Company and therefore no separate disclosure on segment information is presented in these unaudited standalone financial results.
- 4 On 14 August 2019, on approval of Board of Directors of the Parent Company, Tanglin Development Limited ("TDL") the subsidiary company executed the definitive agreements with entities belonging to Blackstone Group and Salarpuria Sattva Group for divestment of Global Village Techparks (discontinued business) for a consideration of Rs. 27,000 millions subject to closing conditions. Subsequently on 27 March 2020, TDL has received first tranche of Rs. 20,000 millions. The balance amount is expected to be received after the receipt of few statutory approvals. Out of the consideration received, TDL has repaid its external borrowings including principal and interest amounting to Rs. 16,440 millions to its lenders.
- 5 The Company has investments in subsidiaries, associates and joint venture amounting to Rs. 18,662 million as at 31 December 2020. The Company shall carry out impairment assessment of above balances in its annual financial statements for the year ended 31 March 2021, as consistent with its past practice of carrying out impairment assessment at every year-end and hence impact, if any, has not been considered in this Statement.
- 6 On 8 January 2020, the Board of Directors provided an in principal approval to sell the shares of Way2Wealth Securities Private Limited held by the Company and its subsidiaries. Subsequently, on 23 January 2020, the Company entered into a definitive agreement to sell Way2Wealth Securities Private Limited including its certain subsidiaries to Shriram Ownership Trust, subject to the closing conditions and required statutory approvals.

On 19.11.2020, the company and its subsidiary Tanglin Developments Limited has entered into an Agreement to Sell the Shares of Way2Wealth Securities Private Limited including its certain subsidiaries to Shriram Ownership Trust. The transaction is set at a Purchase Consideration is Rs.556.59 millions of which the companies share is Rs.212.98 millions, which has been fully received by the company in the current financial year except for the withheld consideration of Rs.7.65 millions. Another Rs.46.29 Millions is receivable by the company in form of preceding years Tax refunds and SEBI deposits from the purchaser (Shriram Ownership Trust) which is in form of reimbursement, subject to realisation by the purchaser (Shriram Ownership Trust). The loss of Rs.464.97 millions on the above sale transaction has been recognised in the current reporting quarter.

Ranganath



Coffee Day Enterprises Limited
CIN: L55101KA2008PLC046866

Registered office: 23/2, Coffee Day Square, Vittal Mallya Road, Bengaluru 560 001

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Explanatory Notes to the Statement of Unaudited Standalone Financial Results for the Quarter and nine months ended 31 December 2020

- 7 On 9 January 2020, the Company made a Disclosure in terms of SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated 21 November 2019 for the quarter ended 31 December 2019 regarding the disclosures of defaults on payments of Interest/Repayment of principal amount on loans from Banks/ Financial institutions and unlisted debt securities. As per the disclosure, the Company has defaulted in payment of interest amounting to Rs. 14.80 million towards loans or revolving facilities like cash credit from banks or financial institutions and Rs 80 million towards Unlisted debt securities i.e., Non-convertible Debentures.
- 8 On 10 January 2020, the NSE issued a notice to the Company stating that trading in securities of the Company will be suspended with effect from 3 February 2020 due to non-compliance with Regulation 33 of SEBI Regulations for two consecutive quarters i.e. 30 June 2019 and 30 September 2019 and/or for non-payment of fine levied for the identified non-compliance. The trading of the securities would be allowed on the first trading day of every week for six months.
- 9 The Company has given a corporate guarantee of Rs. 1,000 million for a loan taken by a wholly owned subsidiary . The Company has given interest free advances Rs.17,490 million to its subsidiaries which is repayable on demand. As at the date of this Statement, such corporate guarantee has not been invoked by the lender. The Company is confident that the loan will be repaid by the subsidiary in the due course and hence, the loss allowance as per Ind AS 109 Financial Instruments has been estimated by the Management to be Rs. Nil.
- 10 The Company has borrowings outstanding amounting to Rs. 5,432 million as at 30 September 2020. There have been certain covenant breaches with respect to certain borrowings taken by the Company from various lenders. Such covenant breaches entitle the lenders to recall the loan, as at 31 December 2020 as well as the date of this Statement, one of the lenders has exercised their right to recall the loan.
- 11 These standalone financial results for the quarter and nine months ended 31 December 2020 have been prepared on a going concern basis in view of the positive net worth of the Company amounting to Rs.31,369 million as of 30 Septmber 2020, significant value in diversified portfolio of investments held in subsidiaries / joint ventures / associates, established track record of the Company to monetize it's assets as demonstrated by sale of stake in Mindtree Limited, sale of Global Village Tech Park owned by its wholly-owned subsidiary Tanglin Developments Limited , sale of stake in Way2Wealth Group entities profitable resorts operations and consequential ability to service the obligations.
- 12 The Company primarily derives its revenue from running or operating resorts and/ or managing hotels, sale of coffee beans and providing consultancy services. During the year ended 31 March 2020, the Company derived an exceptional gain of Rs. 15,037.96 million, net of transaction costs from sale of its investment in Mindtree Limited. Thus, the financial income of the Company earned during the year ended 31 March 2020 constitutes more than 50% of its total income and financial assets constitutes more than 50% of its total assets as at 31 March 2020, thereby requiring the Company to register itself as a Non-Banking Financial Company ('NBFC') with the Reserve Bank of India (RBI) as per the requirements of Section 45- IA of Reserve Bank of India Act, 1934. On 13 March 2020, the Company has made an application to the Deputy General Manager of the Department of Non-Banking Supervision requesting for a one-time exemption from obtaining registration as NBFC under the provisions of RBI. As of the date of this Statement, the Company is awaiting response from RBI.

Banganath



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Explanatory Notes to the Statement of Unaudited Standalone Financial Results for the Quarter and nine months ended 31 December 2020

- 13 Change in the percentage of shares held by the Company in its two subsidiaries viz M/s TDL & M/s CDGL as of December 31, 2020 vis-à-vis March 31, 2019 due to invocation of shares pledged to the lenders of the subsidiaries. However, while considering the amount invested in the subsidiaries, Company has considered the erstwhile shareholding pattern prior to dilution as the Management believes that the change in shareholding is temporary in nature and the shares pledged will be released back by the Company. However, these shares have been transferred to such lenders before December 31, 2020.
- 14 The Company has received a notice from Registrar of Companies Karnataka calling for information in connection with a proposed enquiry under section 206 of the Companies Act 2013. The company has responded to notice on 24 July 2020.
- 15 The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID19 is significantly impacting business operation of the companies, by way of interruption in supply chain disruption, unavailability of personnel, closure/lockdown of Hospitality services, Travel bans etc. On 24th March, 2020, the Government of India ordered a nationwide lockdown initially for 21 days which further got extended till 1st June 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

In assessing the recoverability of Company's assets such as Investments, Loans, Trade receivables etc. the Company has considered internal and external information. The Company has performed sensitivity analysis on the assumptions used basis the internal and external information/indicators of future economic conditions, the Company expects to recover the carrying amount of the assets.

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

Ranganath W
S V Ranganath
Interim Chairman
Place: Bangalore
Date: 9 February 2021

